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Last Rites for Mr. C. Akagi

Funeral services for the late Mr. Chikayuki Agaki, Special Deputy Commissioner of the Shanghai Municipal Police, who was assassinated here in June, were held in Tokyo on August 9, sponsored by the Japanese Foreign Office. The late S.M.P. official was Counsellor of the Japanese Embassy in China. In the above picture Admiral T. Toyoda, Foreign Minister, is reading an eulogy to the deceased.

Huge German Losses

The "Noon Bulletin" yesterday published figures of German losses since the beginning of their war with Soviet Russia, as compiled from facts gleaned by two American writers from incontrovertible sources. The figures are said to have been obtained from confidential German documents, and they make terrible reading. During the first week of the invasion of Soviet Russia, the Germans were losing in killed, wounded and prisoners as many as 40,000 men a day. During the same period they lost 450 tanks and armoured cars and 550 planes. In the second week they lost 360,000 men, between 700 and 800 tanks, and 850 planes. In the third week they lost 350,000 men, 700 tanks, and 800 planes. It is said that their losses in the fourth week were on the same scale. If these figures are to be believed—and there is no reason to suppose that they are not at any rate approximately accurate—the Germans must have lost more than one million men within the first month of their attack. What have they gained in return? The Nazi High Command's plans were wrecked within the first two weeks of the new war by the resolute resistance put up by the Russians. Objectives which, according to the Nazi time-table, have fallen into their hands some time ago are still being defended by the Russians. There has been an enormous expenditure of human life and war material to comparatively little purpose. No doubt the Russian losses have also been high, though not nearly as high as the Nazi communiqués would try to make out. These communiqués were obviously designed to reassure the German public, made uneasy by the cost of the new campaign, and the Japanese, who are now beginning to believe that the Germans may not win the war after all. It is a measure of the desparation of the German to watch the increase of their pressure upon Japan to take immediate action in the Far East and so to divert British, Russian and American efforts away from the main front in the west. Whatever diversion the Japanese may make in this part of the world is little likely to succeed, but it may be enough to give the Germans another breathing space in which to regroup their forces for a second attempt to reach their Russian objectives and to administer the knock-out they hoped for when they first began. But even if they are successful, it is difficult to see how the Japanese will benefit. All that will have happened is that a hornets' nest will have been stirred up in the Far East from which Japan will be left to extricate herself as best she can. There will be no help from the Germans, because they will be much too busy attending to their own concerns to be able to give any. It will be interesting to note the effect upon the German people of these losses when at last their magnitude is realised. This may take some time, since the Nazis have always been nervous over the *moral* of their own people, and will endeavour to keep from them as long as possible to full knowledge of the sacrifices they have been forced to make. The sudden changes of Hitler's policy have already caused a great deal of uncertainty in the German mind. At first, they were bidden to organize against the Bolsheviks, "the world's greatest enemies." Then they were asked to be friendly with the Russians. And after about eighteen months of this policy, they were again asked to consider the Bolsheviks as the real foe of mankind. Blindly though they may follow their leader in normal times, these changes are surely putting an abnormal strain on the German intelligence. They must be beginning to doubt the objectives their leaders have constantly set before them. This, combined with the effect of the slaughter inflicted upon their youth may have a decisive effect on the psychological front, which is one of the most important of all the fronts.

Nervousness and Hate

It is not surprising that travellers who have recently come out of Italy should declare that the Italians are nervous about the future. That nervousness is expressed in lack of confidence in the value of money and the consequent wholesale buying of various forms of property. And so from being thoroughly of the whole war, which was never popular with them there is a growing anxiety as to the future. In addition to that there is the Italian hatred of the *maledetto Tedescho* whose age-old *Drang nach dem Süden* has brought about a traditional hostility between the two peoples. There is Italian hate on the one side and German contempt on the other. Particularly are the Italians enraged by the manner in which the Germans have penetrated their country and brought it into virtual subjection to Hitler. As the well known German journalist Ernt Klein states "German troops are moving into Italy. Already they are masters of Trieste. They have established themselves in Sicily and their transports roll down south over the Brenner Pass." It was by the very same pass that two thousand years ago the first hosts of the German race, the tribes of the Cimbri and the Teutons broke into Italy following the mystic yearning of their primitive souls to see what land lay behind the ice-bound peaks of the Alps. It was nothing but the primeval German lust for conquest and expansion which in recent years has found its political and economic expression in modern Pan-Germanism. This national yearning which sent the Germans time and again over the Alps has set Hitler on the path of another attempted fulfilment of the same desire, and, should the unlikely happen and Hitler win this war, Italy will be reduced to an appanage of the Reich just as surely as any of those other countries which he has overrun. It is strange but nevertheless the fact that the future freedom of Italy depend upon her defeat together with her ally in this war. Victory for her means slavery. Defeat means freedom. Is it any wonder that the Italians have this war as much as they loathe the Germans?

Straws In The Wind

During the last few days there have been hints that the co-operation between the British and Soviet forces will be increased by definite British action in the Arctic. The reports have been largely speculative, being apparently based upon the British raids on Petsamo and Kirkenes and the presence of a strong naval force off the north coast of Finland. They are, however, by no means unlikely. The most direct communication between the British Isles and Soviet Russia is by way of the Arctic ports, and it can be understood that keeping this line of communication free from Nazi or Finnish threats is important. A diversion in the north might also force the Germans to withdraw many of their troops from the attack being launched southward on Leningrad and so ease the pressure on that city. It may, of course, be that the mere threat of a landing in the north will be sufficient to draw away enough German troops to assist the defence of Leningrad, but at all events developments in the far northern sector of the enormously long eastern front should be worth watching during the next few days and weeks. The announcement by Mr. W. M. Hughes, the Australian Navy Minister, that American assistance in the Atlantic has made it possible for the British to reinforce their fleet in the Far East, if necessary, is also interesting and may portend another important development in this part of the world. On the top of Mr. Hughes' pronouncement comes a Japanese report that a British naval squadron which includes H.M.S. Warspite has been sighted in the Gulf of Siam. There may be something to this report or there may be not. When it is considered that the fleets of Germany and Italy have suffered such severe maulings during the last year that their strength has been cut down by more than half, it can be seen that Britain *might* be able to spare some capital ships from the Mediterranean or home waters. It is indisputable that the period of appeasement in the Far East has ended. This does not mean that Britain or the United States has decided that war is inevitable; but it does mean that the line has been drawn beyond which no further encroachment will be permitted, even if in preventing such encroachment "the balloon goes up." If there is war in the Far East the blame will not rest on the Democracies. It will be entirely the fault of the aggressors. The British Empire owes Australia and New Zealand a great debt of gratitude for the magnificent performances of those Dominions' troops in the Middle and Near East. Many troops from these Dominions are also in Malaya, where they are guarding an empire outpost which may be of vital importance not only to themselves but to the rest of the Empire as well. It would seem to be the least the Empire can do to reinforce the naval strength of the two Dominions with heavier metal than they have at present at their disposal. Until there is official confirmation of the arrival in the Far East of any British capital ships, the reports should be taken with considerable reserve, since they may simply be part of the Japanese "war of nerves," whereby they have been seeking to create the altogether false impression that Britain is planning some form of aggression either against Indo-China or Thailand—intentions which the British have been at some pains to deny. Nevertheless the reports of possible action in the Arctic and the presence of these large ships in the south Pacific are worth noting. No one knows how true they are, but the fact that they have obtained wide circulation may be taken to mean that they are straws in the wind.

Left Undone

An Italian newspaper owned by one of the leaders of the Fascists—if they can be said to lead at all in a country which is being run by the Nazis—has come out with an attack against that excellent newspaper, the "Osservatore Romano" for not having condemned the recent Polish-Russian accord. The "Osservatore Romano" is, as will be recalled, a paper published within the Vatican area, and for a long time it has not been in tune with the official policy adopted by Mussolini and his followers, and within recent months by the Germans who have been put over Mussolini and have been entrusted by Herr Hitler with the task of telling him what to do. Not long after the declaration of war by Italy against France and Britain, in the belief that the Democracies were on their last legs and that all that remained for the Italians was to jump in and grab what they could out of the disintegrating empires, the "Osservatore Romano" kept its head, and condemned the policy then being pursued. As a result its sales were banned in Fascist territory and such intimidation was exercised that the paper was compelled to promise that its political comments would in future not run opposite to the plans of the Fascist régime. As a result it was permitted to continue to exist as the only really independent newspaper published in occupied Europe. Its independence was always tempered by the knowledge that the powers that be—or were—in Italy would seize the first opportunity to suppress its circulation, and, therefore, its criticisms have always been of a more negative than positive nature. It has not been able to report with their full significance even the Papal denunciations of the "new order" which the bullies of Berlin have been attempting to force on their neighbours. The charge now brought against this newspaper is not that it has clashed with Fascist—or Nazi—policies, but the negative one that it has not acclaimed these policies as being universally desirable. It has studiously refrained from comment upon the Polish-Russian accord, while the controlled press of the rest of Italy has been busy denouncing the accord as another piece of Democratic treachery and another example of the so-called perfidy of the lovers of freedom. It will not be forgotten, however, that in circles outside the Nazi orbit, the persecution of Christianity and the Catholic church, especially in Poland, has been repeatedly censured by the Pope. It is all very well for the Italian press to recall the atrocities committed against the Church by the Bolsheviks. They were bad enough. But if these actions by a former revolutionary government have to be cited today as a reason why the present government in Moscow is resisting the Nazi attempt to subjugate its country, then there can be no possible objection to citing the numerous and much worse atrocities committed by the Germans themselves against the religious beliefs of a people whom they believed to have been conquered. It is noteworthy that the Polish-Russian accord made no attempt to define frontiers. It merely expressed the spirit of goodwill upon which, it is hoped, the settlement of the world's problems will be based when this war is over and the Nazis and their ilk have been defeated. That is, of course, its chief fault in the eyes of the Nazis and the Fascists. It is an example of wiping the slate clean of all past misunderstanding and starting afresh with the object of being "good neighbours," which the Nazis could never for a moment condone. The Nazis do not want "good neighbours"; they want only weak ones—neighbours over whom they can brandish Thor's hammer without the possibility that there will be any defiance. What is most damnable in Nazi and Fascist eyes is that the Polish-Russian accord paves the way to friendly relations between the two countries. The Nazis do not approve of friendly relations between peoples; the only relations they recognize are those between master and man, between tyrant and slave. And *anything which happens anywhere in the world* to postpone the new order of the taskmaster must, in their view, be bitterly condemned.

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CHINESE POLITICS

Axis Collapse Will Start in Japan Says Dr. Quo Tai-chi

Chungking, Aug. 4.

THE foreign situation was outlined today by Dr. Quo Tai-chi, the Foreign Minister, at the weekly memorial service of the Kuomintang.

He declared that he had hardly assumed his new post as Foreign Minister when Germany and Italy recognized the Nanking regime, compelling the Chinese Government to sever diplomatic relations with the two states.

From then on the demarcation between the aggressor and anti-aggressor camps became clearer.

On July 12 Great Britain and Soviet Russia concluded a military pact. Although it was limited to Europe, Mr. Winston Churchill, the British Prime Minister, declared that the two countries were allies.

On the other hand, the United States officially proclaimed its intention to grant positive aid to Russia, and Mr. Harry Hopkins, President Roosevelt's personal envoy abroad, arrived in Moscow. Soviet Russia, which always helped China in her struggle against aggression, thus entered into the anti-aggressor camp, and the common front of China, Great Britain, the United States and Soviet Russia was completely constituted with a view to fighting together toward final victory.

Six Cabinets

Japan's attitude towards Great Britain, the United States and Soviet Russia, Dr. Quo said, changed several times, and the collapse of the second Konoye Cabinet revealed the embarrassment of the Japanese Government. Since July 7, 1937, when the Sino-Japanese hostilities broke out, Japan changed Cabinets six times, while China remained under the leadership of Generalissimo Chiang Kai-shek and relentlessly pursued her national policy, laid down once and for all.

China recently received aid from all sides, Dr. Quo went on, and her position was very much better than the isolation in which Japan placed herself.

"We must know, however, that Japan despite confusion both at home and abroad, did not awake from her dream of aggression," the Foreign Minister said. "She is still attempting to follow in the wake of the Axis powers to achieve her ambition of hegemony in East Asia and domination in the Pacific.

Japan Surprised

"The Generalissimo believed, following Nanking's recognition by the Axis, that Japan would attempt some new adventure to please Germany and Italy. His judgment proved correct and Japan exerted pressure upon the Vichy Government and sent troops to Indo-China. In doing this, Japan aimed not only at pleasing the Axis but also at increasing her pressure on Indo-China to place that country virtually under Japanese military occupation, at keeping an eye on Thailand, Burma and Yunnan, and at making sure of a starting point from which she could eventually threaten Singapore, the Netherlands East Indies and the Philippines."

"The Japanese believed that a molestation of defeated France would not provoke any action from Britain and the United States," Dr. Quo continued. "Contrary to their expectations, Japan's move brought about most serious reactions from Britain and the United States, who took economic sanctions against her. America's attitude towards Japan is now similar to that towards the Axis, while the British Empire took parallel measures against Japan.

Japan to Blame for War

"During my nine years stay in Europe, I witnessed the development of the European situation, and I became convinced that Japan was responsible for the present war through her aggression in Manchuria, in violation of the League Covenant, the Briand-Kellogg pact and other international treaties," Dr. Quo concluded. "Japan's militarists are the public enemy of mankind.

"All these facts prove that Japan is a country which never keeps its word and cannot shoulder the responsibilities of a first class power, both politically and morally. In our efforts for the building of a new world order, we cannot have confidence in this kind of country, which is unworthy of taking part in it.

"We are aware also that Japan is the weakest link in the Axis chain and that it would be sufficient for the democracies to maintain or strengthen the economic blockade against Japan to hasten the latter's collapse. I am sure that the collapse of the Axis will start in Japan and that the victory of the democratism will commence in the Far East."—Havas Telemondial.

Chinese Boxer Students Not to Go to England

Chungking, Aug. 6.

Owing to the war in Europe, the Board of Administration of the British Boxer Indemnity Fund has decided to stop sending Chinese students to England. Should the war be continued after the end of this year, Chinese students will be sent to the United States instead.—Havas Telemondial.

War Production in Free China

Shanghai, Aug. 6.

Production of war-time industries in the Chungking-controlled interior has made marked progress during 1940 and reports published by the leading Chinese dailies in Shanghai indicate that by improving the production officials of the Ministry of Economics aim at enabling China gradually to become self-sufficient in respect to important commodities. Statistical reports just released for publication reveal that in 1939 China produced 3,600,000 tons of coal while in 1940 the same figure was increased to 5,700,000 tons.

There were only 31,000 tons of iron produced in 1939 but in the next year 100,000 tons of coal were produced. The production of paper during the same two-year period was also increased from only 600 tons to 1,800 tons. Production of other commodities, including gasoline, alcohol, cotton, flour, soap and matches, has also been increased. There are 71 units of factories already in operation or in process of contruction, in addition to 22 mining areas and 20 power houses.

Loans to Manufacturers

During the two-year period, $27,100,000 had been lent to private business men in order to enable them to move their factories to the interior and to buy additional machines. The Ministry has directly invested $7,400,000 in various enterprises.

The Chinese here published a somewhat detailed report yesterday regarding the policy of thrift adopted by Chungking. By glancing over the regulations, it is revealed that the Government is trying in every possible way to save materials. Empty cars are not allowed to run in the streets. *Simplification of wedding and* funeral ceremonies is encouraged. Old and broken clothes should be worn and there should be no waste of even garbage. Prisoners are to be used in highway construction or planting trees. The various departments of the Government are cooperating in carrying out all such war-time material-saving programmes.

Special Tax Offices To Be Established

Chungking, Aug. 5.

With a view to unifying all tax-collecting organizations and enabling the Government to control taxes in the country, the Finance Ministry has decided to create a tax-collecting bureau in every municipality or town.

These offices will collect local taxes while the land tax and state taxes will continue temporarily to be collected by the special organization appointed by the Central Government.

It may be recalled that until now tax have been collected by different organizations in provinces, municipalities and towns.

The Finance Ministry has already succeeded in amalgamating provincial tax-collecting organisms into a single organization.

The decision just taken by the Ministry will be a further step in the unification of tax-collecting in China.—Havas Telemondial.

Future of Far East Depends on Thailand

Chungking, Aug. 8.

"The future of the Far East depends at present upon Thailand, which has become the powder keg of Asia," the "Central Daily News," official organ of the Kuomintang, declared in an editorial today.

The United States, the paper added, should give assurances to the Thai Government that, should Thailand resist Japanese aggression, she would obtain full military support from America.

Economic sanctions alone are no longer sufficient to halt Japan in her drive, the paper continued. Not to recognize this would be deliberately to ignore the facts. Only if action is opposed to action will aggression be checked in the Far East.

Great Britain, the paper concluded, should either confirm or deny the reports of the concentration of British troops near the Thai border, in order to make her position perfectly clear to an eventual aggressor.—Havas Telemondial.

Measures Against Night Raids

Chungking, Aug. 7.

Mr. Owen D. Lattimore, political adviser to General Chiang Kai-shek, has completed an article on Chungking's air defence for publication in the United States, describing conditions in Chungking during air raids.

With the full moon over Chungking, air defence authorities are taking precautions against possible night raids. All amusement places are closed at night during the period between the 10th and the 20th days of the Chinese lunar calendar, while no persons without residence permits will be allowed the enter the city.

Meanwhile, Japanese aircraft yesterday extensively bombed Hunan, Shensi, Kiangsi, and Anhwei provinces.

Sixty-two Japanese aircraft yesterday bombed Changsha, Siantang, Chuchow, Ninghsiang and Liuyang in Hunan province and also Pinghsiang in Kiangsi province.

Seven Japanese aircraft at the same time bombed Fengtsiang, while 27 others bombed Paochi in Shensi province. Lihuang in Anhwei province was attacked by four Japanese planes.

Fighting North of Ichang

Chinese military circles do not attach much importance to the present fighting going on the north bank of the Yangtse river, north of Ichang and in the vicinity of Shasi.

Japanese forces, it is believed, are launching attacks in various sectors, apparently for the purpose of testing the Chinese strength there as well as to disperse Chinese concentrations threatening Japanese positions along the Yangtse above Hankow.

Following the continued arrival of Japanese reinforcements in French Indo-China, the Chinese High Command is at present taking necessary precautions in Yunnan province in order to meet a possible Japanese attack on the Burma road.

Reuter learns that defence plans and the disposition of Chinese troops has been satisfactorily arranged between Central and Yunnan authorities.—Reuter.

Chinese Border Forces Ready for Anything

Chungking, Aug. 5.

Chinese forces on the Yunnan border are ready for any emergency, declared General Lung Yun, Governor of Yunnan, in a recent interview in Kunming.

Commenting on the possible routes the Japanese may take in their drive on Kunming, General Lung Yun stated: "First, the Japanese will advance from Laokay, along the Indo-China railway, direct towards Kunming; secondly, they will advance into Burma, via Thailand, then cut the Burma Road in Burma in the vicinity of Mandalay."

The Governor of Yunnan did not believe the Japanese would attempt to attack the Burma Road, via Western Yunnan, where there are only two possible routes.

"First," he said, "the Japanese may advance, via Szemao Puerh, along the Lisien River. Secondly, they may march into Western Yunnan, via Thailand, in the vicinity of Chingtung. But the distances of these two routes are almost double that between Hanoi and Kunming.—Reuter.

Wang Urges "Asia for The Asiatic"

Canton, Aug. 4.

Speaking at a reception held in his honour by delegates of the Far Eastern Journalists Convention, President Wang Ching-wei yesterday afternoon urged increased cooperative efforts for the realization of ideals in the building of an "Asia for Asiatics and an Orient for the Orientals."

President Wang told newspapermen from China, Manchoukuo and Japan that the "significance of the East Asia prosperity sphere lies in loving our own countries, in loving our neighbours, and further, in loving the whole of East Asia."

Recalling that Canton was the birthplace of the late Dr. Sun Yat-sen, President Wang declared that the true meaning of Dr. Sun's revolutionary movement was "Asiatic leadership." He added the Founder of the Chinese Republic recognized the "aggressive policy of Europe toward China, and believed in Sino-Japanese unity to save Asia from this danger."—Domei.

Mr. Wang Ching-wei Arrives in Canton

Canton, Aug. 4.

Mr. Wang Ching-wei, President of the Nanking Government, who is reported to have arrived here last Friday, was entertained last night by delegates of the Far Eastern Reporters' Conference at an elaborate teaparty.—Reuter.

Returns to Nanking

Nanking, Aug. 10.

Mr. Wang Ching-wei, head of the Nanking Government, returned to the city by air at 4.40 o'clock this afternoon from Canton where he attended the first East Asia Press Convention. He has been absent a week.—Domei.

China Confident on Ability to Prolong Conflict—"The Times"

London, Aug. 6.

THE Chinese feel that they gained, not lost, by the German attack on Russia, says "The Times" in a special article today discussing the situation in China.

The Chinese it states, are certain of their own ability, with the material help of other members of the A.B.C. front, to prolong the "China Incident" for another four years or longer. Meanwhile, they expect that it is Japan whose position is becoming more hazardous, beset by economic difficulties, uncertain of her friends, and tempted by moves which might easily bring her into open conflict with Russia, Britain, the N.E.I., and possibly the United States, when she already has over 1,000,000 troops tied up in China.

What can Japan hope for, ask the Chinese. Not to wind up the China Incident, now in its fifth year; not to win any enduring favour from Germany who is likely to betray her, as she betrayed Russia; not for the oil of the Indies, where the Dutch are ready to blow up wells at a moment's notice.

Little wonder, adds "The Times," that the Chinese feel that if they can weather the economic crisis they can look forward to the future based on the assurance of an Allied victory as a prerequisite for a real "new order," under which they can rebuild China for their own people and not for an alien task-master.

It is emphasized that the chief field in which China requires help today is economic. The paper recalls General Chiang Kai-shek's repeated statements that the war of resistance is 30 per cent. military and 70 per cent. economic.

The Crucial Test

Most foreign experts, it is stated, are agreed that Japan's efforts to intensify the blockade of China will not alone bring about the economic collapse of China. The danger is internal; if many of the problems are the inevitable result of four years of war, the crucial test will be the manner in which they are tackled.

Although pretty sure of their ability to weather the economic crisis, the Chinese authorities, says "The Times," admit that control of food prices in the interior, despite the execution of food hoarders in Szechuan, is tending to get out of hand. The new Food Ministry, when it gets into its stride, may be able to curb some or all of the evils in the present situation.

Foreign experts are agreed that China's economic problems, of which inflation is the most serious, have not yet reached a fatal point, as they did in Germany when she collapsed after the last war, but they feel that forthright methods must be adopted if ultimate disaster is to be averted, and that this can be done if the Chinese show the same energy, address and courage as brought them through so many other dangers.

View Future with Confidence

The Chinese, if worried by the economic outlook, view their political future with greater confidence. The return of Dr. Quo Tai-chi as Foreign Minister is an event of first importance not only for China but for other A.B.C. powers as well. The vigour of Dr. Quo Tai-chi's policy from the moment of taking office set him in the forefront of Chinese leaders.

The severance of relations with the Axis Powers cleared the ground in Chungking. With Britain and the United States both represented by able Ambassadors, it would not be Dr. Quo Tai-chi's fault if the relations of the A.B.C. powers fail to acquire still deeper significance.

What the A.B.C. powers gained in China by the German attack on Russia the Axis powers lost, adds the article. The cutting off of war supplies from the Far East to an estimated amount of 30,000 tons a month over the trans-Siberian railway is alone in itself a heavy blow. Hardly less serious is the abrupt end to Germany's growing trade by the same route in valuable exports, whereby she was trying to keep alive many of her connections in this part of the world as well as in South America.

It will be long, the paper concludes, before the German trader in China can hope to recover the almost privileged position and prospects he enjoyed in the potentially enormous Chinese market.—Reuter.

"Young Marshal" to Undergo Operation

Chungking, Aug. 7.

Marshal Chang Hsueh-liang, popularly known as the "Young Marshal," is undergoing an operation for appendicitis, Reuters learned in authoritative quarters today.

Dr. James Shen, director of the Central Hospital, flew to an undisclosed destination in a special aeroplane to operate on Marshal Chang.

After trial by courtmartial following the Sian incident, the Young Marshal, it is understood, was sentenced to ten years' imprisonment which was deferred. He is living in the best possible conditions. Inhabitants in the vicinity reported having seen Marshal Chang out shopping in the streets.—Reuter.

Indusco Reorganization To Take Place

Chungking, Aug. 5.

The Chinese industrial co-operatives, known as Indusco, are to undergo reorganization shortly. Mr. George Fitch, General Adviser to Indusco, will have greater powers and responsibilities after the reorganization.

The secretariat and inspection service of Indusco will be suppressed, while the accounting office will be reduced. Only the business and promoting departments will remain unchanged. Two-thirds of Indusco' staff will be dismissed.—Havas Telemondial.

Duff Cooper Expected To Visit Chungking

Chungking, Aug. 5.

Mr. Alfred Duff-Cooper, former British Minister of Information, who is now the War Cabinet's representative in the Far East, is expected to visit Chungking shortly, Reuter learns. Mr. Duff-Cooper is at present in India.

Despite persistent Japanese reports of the arrival in Chungking of Sir Robert Brooke-Popham, British Commander-in-Chief in the Far East, he has not yet visited Chungking though at one time he actually planned to make a trip to China's wartime capital, but cancelled it, being occupied elsewhere—Reuter.

Wang Ching-wei Donates $100,000 for Relief

Canton, Aug. 10.

Mr. Wang Ching-wei, President of the Nanking Government, donated $100,000 to the Fukien Provincial Relief Association for the relief of refugees in the vicinity of Foochow, it was learned today.—Domei.

THE Kiangsu Provincial government has decided to open a college of literature and science from this autumn, the "Shanghai Mainichi" reported on good authority from Soochow. Applications for enrollment in this new institution will be received from the end of this month, according to the paper.

THE Heilungkiang Provincial Government has been formerly inaugurated "somewhere" on the front, with General Ma Chan-shan, hero of the Nonnin River battle, as chairman, says a Yulin message to the "Cheng Yien Pao." The announcement was made by General Ma himself during a recent press interview at Yulin, in Shansi province.

ACCORDING to a spokesman of the Ministry of Food Supply in Chungking yesterday, foodstuff bonds will be issued to all "free China" areas as from September 1, according to the "Cheng Yien Pao." The bonds will be issued under the joint auspices of the Ministry of Finance and the Ministry of Food Supply. Except for Szechuen, the number of bonds to be issued in all "free" provinces has yet to be decided.

Mr. Chien Tai, Chinese Minister to Belgium, has been appointed Vice-Minister of Foreign Affairs, it is learned from the "Cheng Yien Pao." Mr. Chien is now in the United States. Mr. Hsu Kung-shu, Director of General Affairs of the Foreign Ministry, has been appointed Counsellor to the Chinese Embassy at Vichy. Mr. Shen Tsung-lien, Counsellor to the Supreme National Defence Council, has been appointed Mr. Hsu's successor, the message concludes.

IN view of the fact that all the dykes in Honan province are in very good condition, there is no fear of floods this year, said Mr. Wang Kuei-sheng, Director of the Honan Dyke Repair Bureau, in an interview in Loyang on August 6, states the "Sin Wan Pao." The dykes between Huanyenkou and Chiehling-chi on the Yellow river in Honan province, which measures more than 300 kilometres in length, have been considerably strengthened and improved during the past few months, Mr. Wang declared.

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MURDER AND SUICIDE

Aug. 6.

Dictators of the modern type have just the same facilities for disposing of opposition as did the tyrants of other days, and neither Hitler nor Mussolini are entirely free from suspicion that they have, when it suited them, murdered, or brought about the suicide of men with temerity enough to oppose their ideas. Fritsch, it will be remembered, fell in the course of the Polish campaign. He had been deprived of his command, and, like Uriah the Hittite, had been sent into the forefront of the battle, where he was shot through the back, while facing the enemy. The fact that he was subsequently given a ceremonial burial means nothing whatever. Fritsch had earned the displeasure of his leaders and he was put out of the way just as neatly as was Roehm and his fellows in the infamous purge which marked the early days of the Nazis in power. His burial with military honours was just another Nazi method of pleading not guilty to the indictment for murder which swept round the world.

Mussolini will never be able to shake off the accusation of having caused the murder of General Balbo. That remarkable flying man had captured the imagination of the Italian populace by leading the big Italian flight to the United States and back. He aroused Mussolini's jealousy, was sent to Libya where he met his death so the Italian Government told the world, in a flying accident. Balbo was inconvenient to Mussolini, might have been a possible contestant for power and so, using a phrase undoubtedly often on the lips of an Italian gangster in America, he was "rubbed out." General von Schroeder, commander of the German army of occupation in Yugoslavia, like Balbo, also died "accidentally" recently. What he had done to call down upon him the wrath of Hitler is not yet clear, but his death is said to have removed another German general who was by no means happy over the exercise by Hitler of what his fawning followers venture to term his military genius.

The latest mysterious death is that of General Ernst Udets, of whom American sources report that he committed suicide a short while ago after the commencement of the German invasion of Russia. The reason given was that he supported Goering in the latter's opposition to the Russian venture. Goering was apparently too powerful a man for Hitler openly to deal with, but he went into something in the nature of retirement, and for some seeks past little has been heard of him in comparison with the enormous publicity he formerly enjoyed. But Udets was smaller fry, even though he was a close associate of Goering's and had been since the last war. He, it is reported, was placed under protective arrest by Himmler's notorious Black Guard. Deprived of his command he was officially said to be on leave. He killed himself. Why he did so is not yet known, but it is thought that he feared something worse than protective arrest, or did so from despair over the failure of the Nazis to carry out the swift *Blitzkrieg* which they planned against the advice of their own military experts.

The Nazis officially denied that Udets had committed suicide, but, failing to follow a method which they have adopted in other cases, they did not arrange for neutral press correspondents to see Udets in the flesh. They would undoubtedly have done so had they been able, for no better means could possibly be found of disproving what, if Udets is not dead, would be no more than a silly lie. There may yet be other German generals who may disappear from the scene, for Goering and Udets were not the only ones who opposed the invasion of Russia with wisdom which is daily becoming more apparent. It has been stated that unless Hitler can gain the day over the Russians before the autumn the Army will take over control in Germany. That would mean the elimination of Germany's evil genius, and the possibilities are that, as such a likelihood approaches, those German military leaders from whom his successor would probably be chosen will need to take every precaution against being murdered, or should it more aptly be said "suicided."

VICHY HOLDS OUT

Aug. 6.

The report that Vichy has definitely assured the United States Government that it has no intention of surrendering French empire bases to Germany, or to any other Power, is, at any rate for the moment, reassuring. Nevertheless, whatever satisfaction may be felt at such an announcement must be modified in the light of the enormous pressure which is being brought to bear upon the Petain Government, and particularly the old Marshal himself. What the Germans are after is clearly set out by the controlled Paris press, which had come out flatly and warned Vichy that it would face tragic consequences if it failed to agree to "political and military collaboration for the defence of the French colonial empire as in the case of the Far East." If ever there were a suggestion that Vichy should hand over the whole of French possessions to the Axis Powers this, surely, is it. To all intents and purposes French Indo-China has been lopped off the empire, for no one can believe for a moment that without an Allied victory Japan will be forced to disgorge a territory which she has acquired so easily.

The immediate objective is Dakar. That port as a base for enemy submarines would dominate the narrowest part of the Atlantic, create a grave threat to Allied shipping in those waters, provide a jumping off place for the ultimate German movement against South America and constitute just that very threat against which President Roosevelt has been providing by the acquisition of naval and air bases from Great Britain. There has already been taking place a German penetration of the French possessions in northern Africa to an extent which must give ground for grave anxiety. Nothing would please the Nazis better than to have access to the French possessions there for the purpose of supporting their position in Libya and afford them ports further from the scene of action than those which they have at present, and it is to be expected that in the weeks to come,—especially if they fail to force the issue against Russia,—greater pressure will be brought to bear upon Vichy to afford further bases for an attack upon Great Britain.

Between the maintenance of the present French position and the betrayal of the democracies only Marshal Petain stands. It is surprising to note that at the moment he is supported in his refusal to make any further colonial concessions to other Powers by Admiral Darlan, but not so strange that he should also have the backing of General Weygand. But there are reasons to believe that the pressure which the Germans can apply when they wish, aided by those unscrupulous French leaders who sold their country out last year, and would sell it out again if they could profit by it personally, may be such as to force ultimate capitulation. The tightening of the control of the boundary between occupied and unoccupied France suggests that the Germans are preparing to increase that pressure by inflicting greater sufferings on the people of France, and the question naturally arises as to how long the Vichy Government would hold out against that.

The authorized statement issued by the French Government states that there will not be any repetition of the Franco-Japanese deal because "circumstances were not the same" in other parts of the French empire, while a spokesman added that "the Japanese told us there were enemy concentrations threatening Indo-China," stating that Japan spoke of those concentrations as being exclusively Chinese. So after all it was not against any threat which the British were alleged to have been made to Indo-China, but purely a Chinese one. Now the French have given way, Thailand is being bemused with stories of a British threat to its integrity which, of course is non-existent, together with the Chinese menace. France having been saved from perils which existed only in the Japanese imagination, Thailand is apparently to be subjected to the same process. Vichy needs to take the greatest care that some similar story is not rammed home to them in connection with their African possessions. It would deceive no one but might prove a face-saving device should German pressure become too great to resist.

JAPAN AND SANCTIONS

Aug. 7.

While government circles in Japan maintain a somewhat restrained attitude on the subject of the commencement of the application of economic sanctions by Great Britain and the United States, the Japanese Press adopts a belligerent tone. That was only to be expected. Tokyo will undoubtedly want to find out the full effect of the freezing of Japanese funds and credits by the two countries on the one hand, and to ascertain exactly how effective her own actions of a similar nature are likely to be. It is not expected that they will be very effective because of the simple reason that foreign funds and credits in Japan have for a long while been under control which has had the effect of freezing. From that point of view the common action of Britain and the United States may be considered to have much more significance than the reply which the Japanese Government have made.

Much has been made in the Japanese Press of the contention that the application of economic sanctions against Japan is doing considerable damage to American interests, and in this connection the "Japan Times and Advertiser," considered as representing the views of the Foreign Office, claims that American businessmen with interests in Japanese trade have been badly shaken by the presidential order, that the great American silk industry has been disrupted and that some 175,000 men and women have been thrown out of work. In considering economic sanctions the main question to be decided is whether such application does more damage to the nation against which they are to operate than to the country applying them. No Government ever dreams it can make omelettes without breaking eggs, and doubtless Washington fully realized that economic sanctions would have repercussions in the United States such as the Japanese paper mentions.

But the fact is that the huge Japanese silk industry has also been brought to a standstill, and that the Japanese have been deprived of the most important means they possess of acquiring foreign exchange. The damage to Japan is consequently much greater than anything which can possibly happen to the United States in this connection, and it is on balance that the action of the American Government can be justified. It will follow that should the conduct of Japan warrant the application of closer restrictions upon her trade that Britain and America will not be deterred by whatever ill effect such action might temporarily have upon their own interests. These latter are best served by bringing about a stoppage in Japanese aggression, for that is what the southward expansionist move really amounts to, and the permanent preservation of American and British interests in the Pacific is far more important than any temporary inconvenience to which they may be subjected.

It is not possible to accept the contention of the Japanese journal that the present "tension in the Far East is of the United States' own making." There was no tension in this part of the world until Japan commenced to menace third party interests in China some four years ago. From the commencement of the "China Incident" the situation in the Pacific has gradually worsened. Both Great Britain and the United States have displayed a degree of patience in the circumstances which is little short of amazing. Japan on the other hand has moved continually in a manner which has placed an inordinate strain upon the forbearance of the two great democracies. That patience is rapidly being stretched to the breaking point. The application of economic sanctions is the first warning that Japan is in danger of going too far. If there are any in Tokyo who believe either Britain, or the United States are bluffing, they are likely to receive a rude shock if Japan pursues her present dangerous policy, for existing tension in the Far East is her responsibility and hers alone.

THE GERMANS HELD

Aug. 7.

It is reported from Berne that, according to German authorities, the battle of Smolensk has ended, and that the battle of the Ukraine is commencing. If the former statement is true it means that the Soviet armies have succeeded in holding the German onslaught in the middle of the long front which has been established, and that the expensive efforts of the Germans in that area have been brought to naught. It is an interesting fact that for at least a fortnight the Germans have been unable to claim the capture of any important town, or the reduction of any position valuable to the Russian defence. If it is true that the battle for the Ukraine is now commencing it merely means that the Germans are shifting their ground and seeking to find a weak spot in the Russian resistance, which, it is perfectly clear now, has thoroughly surprised their high command. The latter appear to have completely underestimated the worth of the Russian armies and are paying dearly for their mistake.

That accounts for the confidence which is being expressed in Moscow as to the outcome of the campaign. During more than six long weeks of fighting the Russians have tested out the weight and strength of the German armies, and they have been held despite the initial advantage which surprise gave them. The invasion has first been slowed down and may now be considered to be held. There are reports current to the effect that the German high command is reorganizing their forces for a third great offensive, and that this accounts for the lull in the fighting for the past few days. That may be true, but no reorganization will be really complete before the Germans have liquidated the Russian guerilla bands which are wreaking much damage to German lines of communication as far as two hundred miles behind what passes nowadays for the German front. The enemy propagandists speak glibly of pockets in which Soviet troops are encircled, suggesting that they are considerably hindered in their activities, but the fact is that they have very considerable freedom of movement which is proving very embarrassing to their opponents.

In reading the various reports as they come to hand it is necessary to discard the idea of a front such as was understood in the last war. There is in western Russia at the present time nothing quite so static, nor so sharply defined, and the penetration of each other's lines indicates a long deep battlefield in which there is very considerable liquidity of movement. Despite all this the fact remains that the general Russian position has been held for over three weeks against everything that the Germans have been able to do against it. Progress has been small and local. It remains to be seen whether the next German offensive will be any more effective than the two preceding ones. If it is not, then Germany will be bogged down in western Russia during the coming winter and their lot will be most unenviable, for it is extremely doubtful whether the Germans would be able to indulge in a fourth offensive before nature comes to the assistance of the Russians as it did more than a century ago.

Whether Germany will be able to persuade Japan to apply a counter-irritant to Russia in the shape of an attack upon the Maritime Provinces remains to be seen. Should that be attempted it will indeed be a confession on the part of Hitler of uneasiness concerning the outcome of the Russian campaign. Some speculation appears to exist as to what would be Britain's position in the event of Japan taking any such action. It is at present contended that the Anglo-Soviet alliance is directed solely against Germany, but, if Japan is induced to enter the war to contribute towards a German victory, it is logical to suppose that Britain would take such action as would be necessary towards assisting Russia to defend herself in the Far East. Much, of course, would depend upon the attitude of the United States, but, the prime essential being the defeat of aggression, it is not thought likely that Washington would withhold support from any move which Great Britain might make towards the destruction of the common enemy and the thwarting of any assistance which Japan may be ill-advised enough to seek to give her German ally.

MR. EDEN'S WARNING

Aug. 8.

With the Japanese Press, obviously inspired, banging the big drum on the subject of alleged British intrigues in Thailand, in which there is not one word of truth, Mr. Anthony Eden's warning during the debate in the House of Commons on the subject of the progress of the war is timely. The technique adopted by the Japanese is in accordance with the formula already fully established by Hitler, and employed by the former prior to their forcing Vichy to accede to their demand for the handing over of bases in French Indo-China. Great Britain has no designs upon Thailand. She never has had. Instead she has maintained a friendship with that country for well over a century, during which time she was able to serve it in many directions which have proved beneficial. There is most certainly no desire on the part of the British Government to take any step with regard to Thailand which would have the effect of adding to its already big commitments.

But it is clear that Japan has. In an attempt to proceed further with its southwards expansionist movement Tokyo is endeavouring to bring Thailand within the sphere of its influence, and embody it in the so-called new order in Asia. And, as she does so, she is increasing the threat to British interests in Burma and the Malay States. Mr. Eden has bluntly stated "that any action which would threaten the independence and integrity of Thailand would be a matter of immediate concern to this country, more particularly as threatening the security of Singapore." The Foreign Secretary wisely did not attempt to foreshadow what action would be taken in the event of Japan proceeding with what is obviously her intention. That, perhaps, is just as well, for nothing can be done which does not have the full support of the American and Netherlands Governments, but there is not the slightest room for doubt that, if the situation should call for firm action, it will be forthcoming.

It will indeed be unfortunate if the Japanese allow themselves to be misled by the monstrous German claims regarding alleged overwhelming successes against Russia, designed for the reassurance of the German people on the one hand,—and they have reason enough for misgivings,—and timed so as to give Japan encouragement to make further moves southward on the other. The fight against the Russians is by no means finished. The Russians certainly have not lost it, and, if the statesmen in Tokyo fall into the trap which the Germans have prepared, they may have very serious reason to regret it. It may safely be said that the Japanese success in securing the surrender of French Indo-China is about the last achievement they can possibly effect without bringing the danger of war in the Pacific right up to the verge of an outbreak of hostilities. There may be an interval in which the tightening of economic sanctions which have already been applied would be put into effect, but Great Britain and her Allies, together with the United States mean business if Japan further threatens their interests in this part of the world.

The concentration of great strength in the Malay States and Singapore should clearly indicate to the Japanese that Great Britain and those supporting her do not intend to allow anything more to go by default. The defence of their interests will indeed be very real, and Japan may have cause for very considerable regret if those controlling her policy push matters too far. The statement that it is now possible for Britain to send a fleet to the Far East will mean that Britain and the United States will have more than parity in naval strength in the Pacific and there is very little doubt in the minds of their Governments as to what would be the outcome of a clash. There is still time for the Japanese to reconsider their position. That time may not, however, last long. To a very great extend that depends upon Japan herself, and her leaders would be wise to give due weight to Mr. Eden's warning which is just as blunt as the situation requires.

AN APPEAL WITHDRAWN

Aug. 8.

It will be remembered that in the early part of this year the "North-China Daily News" was prosecuted by Dr. Charles W. Rankin for contravention of the Betting and Lotteries Act of 1934 by publishing two advertisements of the Loterie de Bienfaisance S. A. and subsequently a list of the winning numbers. H. M. Registrar, sitting in the Police Court, found this journal guilty and fined it 10/- on each of the three counts. Notice of appeal was at once given, but in July that appeal was withdrawn. On Wednesday the following letter under date August 5, was received from Dr. Rankin:—

To the Editor of the
North-China Daily News."

Sir,—Since the prosecution of your paper under the Betting and Lotteries Act in the

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recent case in the British Court was undertaken for the public welfare; and since in your publications in this case you notified the public that the decision against you had been appealed in order to make this a test case for the benefit of the general public: would it not now be fair and right treatment of the public to advise it that you had dismissed your appeal, so evidencing that you now agreed that the decision of the lower court was good law, and that the Betting and Lotteries Act was now conceded to apply to British citizens resident in China?

Respectfully

Chas W. Rankin

It would be ungenerous not to grant Dr. Rankin the full savour of his success and the withdrawal of the appeal together with his letter are willingly made public.

It is possible to agree with him that probably the decision of the Registrar was good law, as the law stands at present, but what Mr. Bumble said about the law is, in this particular instance, shown to be so remarkably true. It is a fact that in parts of the British Empire lotteries are held, that in places like Hongkong, Singapore and India things can be done with impunity which are forbidden to British subjects in China. That, of course, may be good law but it is not common sense. Hongkong can raise money for war funds by means of a gigantic, publicized raffle. In Shanghai it is apparently unlawful for British subjects to do so. In this connection it may be pointed out that when the recent big war raffle was first started Dr. Rankin, doubtless actuated by the highest of principles, thought fit to interfere. That led to a recasting of the scheme to bring it within legal limitations, the recall of tickets already sold, and the issuing of others. The raffle nevertheless was held, proved highly successful, and Dr. Rankin's intervention was brought to naught. In January of this year Dr. Rankin appears to have taken offence at the action of this journal in advocating the establishment of a municipal lottery, submitting extracts from English law, which he believed supported his contention that the "North-China Daily News" had committed an indictable offence in adopting such a course and that action could be taken against it in the British Court. Why he did not do so is not known to this journal. It may be remarked that if it was unlawful for the "North-China Daily News" to advocate the establishment of a municipal lottery it was apparently lawful a little later for a member of the Legislative Council in the Malay States to put forward a somewhat similar proposition.

The Loterie de Bienfaisance has been in operation for some years for the purpose of supplying funds for the care of refugees. Its advertisements and lists of winning tickets have been published regularly in the local press, but it was not until after Dr. Rankin's interference with a British war fund effort, and his endeavour to admonish this journal that he took the action he did. That he did so was perfectly proper as being within his legal rights, but the ordinary man in the street will naturally ask why Dr. Rankin did not act against this lottery by prosecution of the Press immediately the first advertisements were published. Here is a lottery operated for nearly four years before Dr. Rankin suddenly discovers the iniquity of the British Press in publishing announcements concerning it. The height of Dr. Rankin's principles does not appear always to be equalled by his vigilance against what he happens to consider evil. It is fortunate that everyone does not think like him, for if they did the lot of the refugees, which the Loterie de Bienfaisance has assisted so splendidly, might indeed have been much worse than it actually was.

A GLORIOUS VICTORY

Aug. 9.

Yesterday was the anniversary of the commencement of the Battle of Britain, for it was on August 8 that Goering opened up the German aerial onslaught on the British Isles. Looking over the files of a year ago it is clear that what was going on was not then fully realized, and it was not until some time later that it was realized that the daylight air-raids which were then being carried out were but the commencement of an aerial attack which the Germans fondly hoped would bring Great Britain to her knees. As the days passed, and Goering threw in everything he had got, it became apparent that, if this was not the preliminaries to the expected invasion of Britain, it was at least an attempt to reduce the R.A.F., and obtain superiority in the air over Britain when something in the nature of an attempt at landing on British soil might have been made. The R.A.F. did not possess numerical superiority. It had superior machines and superior fliers, and through the long bitter struggle well into October it made fine use of them, inflicting such damage on the enemy that Goering had finally to realize that daylight attacks were indeed costly luxuries.

The record bag of enemy machines in one day is reported as 185, but on most occasions ten per cent. of the attacking force were suitably disposed of, while how many enemy aeroplanes were so damaged as to be unable to reach their bases it has obviously not been possible to ascertain. The Battle of Britain ended in the defeat of the enemy. He found it impossible either to break the spirit of the people, or reduce the efficiency of the R.A.F. and Mr. Churchill has aptly described the enormous debt which the people of Britain, of the Empire, of indeed all democracies owe to those intrepid young men, who, in a different medium, bore out the great traditions of the Elizabethan seafarers. The enemy was driven to night bombing. It was for a time safer, but the British are solving the problems posed by the night bomber as witnessed by the fact that, even in this type of fighting, increasing casualties are being inflicted on the Germans.

All this is but a reminder of the fact that during the next week an especial effort is being made to secure enough money for the Voluntary War Contributions Fund to enable sufficient to be sent home to bring the donations of Britons in China for the purchase of aeroplanes up to a total of £200,000 for just over a year. That sum will ensure the establishment of a second China British Squadron. That second squadron is assured in the course of time, but it would be a pleasant thing if as close as possible to the anniversary of the opening of the Battle of Britain necessary money could be sent to the homeland as an evidence of the solidarity of Britons in China with the people of the Empire outside whose borders they are living. It can be more. It can be an eloquent tribute to the splendid gallantry of the young men of the R.A.F., amongst whom there are many scions of China families, who in Britain's darkest hour snatched victory from the Germans and took the first step towards destroying the myth of German invincibility.

British hearts cannot fail to be stirred by the splendid story of the autumn of last year, a tale which gave the lie to the oft-repeated enemy claim of British degeneracy and softness. It adds point to the prophecy which Cowper put into the mouth of the Druid priest when consoling Boadicea for the wrongs she had sustained at Roman hands;—

Then the progeny that springs
From the forest of our land,
Armed with thunder, clad with wings,
Shall a wider world command.

Arm them with thunder! Clothe them with wings! Provide Britain's heroes of the air with the best weapons that the brain of man can conceive! That is the duty of the Empire. It is also the duty of every loyal Briton, no matter how little or how much he or she can give, to see that whatever it may happen to be shall go forward for that self-same purpose. Nothing will inspire greater pride than the knowledge which should be possible at the end of next week that £200,000 has been raised, and that China Britons will be setting out to accumulate another lakh.

ANOTHER PEACE KITE

Aug. 9.

Reference was made in these columns yesterday to the latest German peace feelers and the impossibility of their being accepted, but now that a full description of the proposed terms are available, further comment is indicated. Coming as they do from Ankara, possibly the only capital in the world where such peace feelers could conveniently be issued, the alleged terms may serve to show that Hitler would like a peace, but it is clearly just the type of compromise that the British Government would be completely out of their wits if they ever thought of accepting them. It is stated that after attaining his objective in Russia—and that itself is becoming daily increasingly doubtful,—Hitler will cease hostilities on all fronts counting on public opinion in the United States to force Britain to halt the slaughter, and accept his peace terms. Those appear in another column. But briefly they may be summed up as designed to give Hitler very much the best of the bargain, and to place Germany in such a position that sanctions in the shape of a blockade could never again be imposed upon her.

The seizure of western Russia up to the Urals would provide Germany with control of the granary of Europe, and reduce Russia to the role of a second rate power by the deprivation of the greater portion of her natural resources. The establishment of a semi-autonomous Poland, to be an ally of Germany, cannot possibly be accepted. This war can only be ended upon the restoration to that country of complete and untrammelled freedom. Nor will Great Britain and the United States accept the doctrine of German freedom of action in eastern Europe. They have seen in the past three years to what purposes that freedom has been turned, and the idea of the Balkans under German protection—which is merely another word for serfdom and exploitation,—cannot be acceptable to the democracies who are fighting the cause of freedom for all peoples to work out their own destinies in peace and security. The same remark applies to the proposal of partial restoration of Yugoslavia and Greece according to the nationalities of the inhabitants and the granting to them of a restricted autonomy.

Italy is to be completely betrayed under these terms. She will have to surrender Abyssinia and Tunis, but retain Libya. All other Italian aspirations are apparently to be thrown overboard. And finally Norway, Denmark, Holland, Belgium, and France, with the exception of Alsace-Lorraine will be evacuated by the Germans, while Hitler proposes to be good enough to promise that territories within the British sphere and the Empire will be in no way altered. The Japanese will probably note that, in this abandonment of the original German claim to a sphere embracing Europe and Africa, and the suggestion of much smaller ambitions, Hitler is preparing to do nothing for his Japanese Ally. He can do nothing, but the fact that he proposes no reward for the Japanese for their adherence to his ricketty pact indicates, as clearly as in the case of Italy that, the Japanese will be thrown overboard if Hitler can only get the compromise peace for which he is apparently now after. It is as well that the Japanese should realize that Hitler means nothing to them, and that they stand completely friendless in the world at the present time, when but for the rashness of their policies they could stand rich in friendships, and prosperous as the big neutral, industrial country able to supply a great part of the world's markets.

It is obvious that Hitler is out for himself. He would like to extricate himself from this war if he possibly could with some advantage to show Germany for the enormous expense she has been put to in blood and money. But there is not the slightest likelihood of any such peace being accepted. It would be no peace. Instead there would be an uneasy armistice, while Hitler reorganized the vast territories he proposes he should dominate in preparation for another endeavour to secure German domination of the world. Europe, and indeed the rest of the world can expect nothing in the nature of tranquillity until the Nazi system and others like it have been destroyed once and for all. These peace terms are wholly unacceptable. Any which give Hitler any advantage whatever, or even permit him to remain in power can expect no hearty reception from Britain and her Allies, and the United States are very unlikely to bring pressure to bear to have any such accepted.

THE SEVENTH WEEK

Aug. 11.

Seven weeks have passed since Hitler commenced the invasion of Russia. In the early days he made considerable progress but for the last three weeks he appears to have been well held by the Russians whose fighting qualities have earned grudging admission by the Germans who have found in the Russian army an opponent which has more than thoroughly extended them. The past week has shown little development. Claiming some advance in Estonia the Germans have not yet succeeded in encircling Leningrad, while to the north of that city the combined German and Finnish forces find it hard going against the Russians who have succeeded in preventing their union with the German forces seeking to work up from the south of the city. No progress appears to have been made in the region of Smolensk which has not yet fallen into German hands, while Nazi claims to have been making progress in the Ukraine have not yet been substantiated by any Russian admission.

Perhaps the most striking feature of the past week is the bombing of Berlin by Russian aircraft. Not much is known concerning the magnitude of the two raids, but as M. Lozovsky has promised that there shall be more of them it is possible that ultimately the fact that Russia is able to raid the enemy capital may produce a psychological effect which may not be at all to Hitler's liking. Another interesting development has been the manner in which the German propaganda machine has been operating. When it was realized that the German armies were being held by the Russians, and it was impossible to record territorial gains for German civilians to record on their maps, the story was spread about that the German aim was not territorial gain but the annihilation of the Russian armies. The change of story was significant as indicating a breakdown of the original German plans on the one hand, and as preparation for the new type of yarn with which Goebbels was seeking to continue the delusion of the German people.

With the ground so prepared the Germans came out with the astounding claim last week that over four million Russians had been accounted for, of which three million were alleged to have been killed. It is known that when the invasion started the Russians had 4,500,000 men available in western Russia with which to resist the Germans. Certain reserves are known to have been utilized by the Russians, and according to the Germans the last of those have been thrown into the struggle quite a number of times. The position then seems to be that if the German claims are correct the Russian army has been almost completely wiped out and that what the Germans are at present doing must be something akin to "shadow boxing," and not even making progress at that. That, of course, is absurd and the fact is that the Russian armies which the Germans claim to have destroyed are very much still in existence, and if the German story is to be believed holding their enemy at all points save, perhaps, in the Ukraine and along the shore of the Black Sea. But the Germans have shown themselves throughout this campaign such arrant liars that it is quite impossible to believe one word they say.

Russian claims on the other hand are much more moderate. They allege that some 1,500,000 Germans have been accounted for as slain, wounded or taken prisoner. The large number of wounded, passing back to Germany in train after train has caused the German authorities some concern lest the sight of them should have an unfortunate effect upon German *moral*. They have consequently resorted to moving their casualties at night or by barges along the rivers in order that the general public shall be unable to get a real idea of the huge wastage in human material Germany is suffering as a result of this latest exhibition of Hitler's military genius. If the Russian estimates are correct, and there is every reason to believe that they are, then the Nazis appear to have lost approximately one-third of the effectives with which they commenced the invasion of Russia. That is indeed a severe blow, and if the Russians manage to hold the fourth offensive, which the Germans are reported to be planning, the result may prove to be decisive.

BAD FAITH

Aug. 11.

The Vichy Government appears to be working itself up into a state of excitement over the decision of the British military command in Syria to detain General Dentz, former High Commissioner, and thirty-five high French officers alleging it to be a breach of faith on the part of the British. It is, of course, nothing of the sort. One of the terms of the armistice which General Dentz signed under permission from Vichy was that all British officers and soldiers who had been taken prisoners by the French should be handed over. It was thought that that had been done until it was stated that the British authorities were concerned over the whereabouts of seventy-five British and Indian officers who had not been restored. It appears that these men have been handed over to the Germans. Why that should have been done has not up to the present been explained, but that it is a most extraordinary procedure is apparent to all.

Germany took no active part in the defence of Syria, is not an ally of Vichy, and could consequently take no British prisoners herself, and it is not easy to understand under what provisions of military law it is possible for one country to take prisoners for the benefit of another in this manner. The conclusion to be drawn is that there has been a deliberate breach of faith on the part of the Vichy Government. The suggestion that Germany wanted these officers for the purpose of making it more difficult for Vichy to conclude an armistice with Britain and her allies is of singular interest, though, whether the armistice is finally brought to a conclusion or not, there can be no question of the French endeavouring to continue the fight in Syria. They are definitely in no position to do so. Under the terms of the armistice the Vichy French troops were given full honours of war, and Great Britain has every right to expect that General Dentz should honour his signature to the fullest extent. That he has not done. Nor does it appear that he was ever in any position to do so, for the British officers appear to have been handed over to the Germans before hostilities in Syria came to an end.

Whether the detention of General Dentz and other French officers will result in the Germans handing back the British officers concerned remains to be seen. It is unlikely, however, that the Germans will have much consideration for the lot of the men of Vichy whom the British authorities are now holding. But if Vichy wishes to free her officers she will have to prevail upon the Germans to enable it to honour the contract which General Dentz so freely entered into. It will be idle for Vichy to claim that, as she refused to consent to an armistice and left the military decision to General Dentz, she is not a party to the armistice and consequently bound to see that its terms are faithfully carried out. Whatever protest the Petain Government may choose to make to the British will without a doubt be rejected. It is stated that Vichy has demanded the liberation of Gerenal Dentz through Sir Samuel Hoare, the British Ambassador at Madrid, but it is to be hoped that Whitehall will turn a deaf ear to any such representations and insist upon Vichy completely fulfilling the terms of the armistice.

What is of importance in this incident is the fact that it demonstrates the extent to which the Vichy Government has fallen under Nazi influence. How much that is due to the actual free will of Marshal Petain's advisers, and how much the result of unavoidable pressure cannot at this juncture be estimated, but if Vichy has fallen so completely into the hands of the Nazis that it can no longer honour its own obligations in a matter in which Germany had no direct concern, then the Petain Government has not the vestiges of freedom of action in any sphere remaining. Not all the protests which Vichy may make will alter the situation one whit. The remedy is in its own hands. Produce the British officers and the Vichy officers will be liberated. Fail to do so and General Dentz and his fellow officers must remain in detention, and it is hoped, under precisely such conditions as the British officers are being held. If that is the only sort of language which Vichy can understand it must be in that tongue that she should be spoken to.

HITLER'S AGAPEMONE

Aug. 12.

If, as it is reported from Rome, a conference of eight European nations aimed at solidifying the Axis in Europe against Great Britain is indeed held it need provide no cause for misgiving. It is said that within the next fortnight representatives of Italy, Hungary, Rumania, Bulgaria, Finland, Slovakia and Croatia will meet for the purpose of discussing the pooling of armies, foodstuffs and other sinews of war of those countries for the construction of a comprehensive war machine against the event of the United States becoming involved in the conflict. It should be an interesting meeting those present consisting of seven yes-men and a representative of the German dictator. Consider the position of Italy. Overrun by the Nazis, with a Government which dare not call its soul its own, is it to be believed for one moment that the Italian representative would do more than feebly acquiesce in whatever proposals the Germans cared to put forward? Does not the same question apply to Hungary, Rumania, Bulgaria, Finland, Slovakia and Croatia?

Everyone of those countries, apparently possessing some form of autonomy though in fact having none, would at such a conference be wholly unable to oppose German views, or, if they dared, able to make that opposition effective. Their Governments may have some show of domestic authority but even that is closely controlled by the Germans themselves. It is reported that this proposed conference would be the first step towards the construction of the foundation of the new Axis order in Europe in which

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such meetings would replace the League of Nation conferences at Geneva. If this is so, then the Nazis are counting their chickens before any of them are hatched. The foundation of any new order can be based only upon Nazi and Fascist victory in this war. If anything they are further from such a conclusion than they have been at any time since the war started, and the establishment of a facade of fictitious union between Germany and the countries which she holds at present in subjection—and they are just as much so as Norway, Denmark, Holland and Belgium, who have not been invited to this feast of love,—will deceive none.

The alleged union of the eight nations in a sort of Agapemone is not without food for cynical amusement. Seven of the members will pool their food supplies for the benefit of the eighth—Germany. Their industrial machines will be subordinated to the military needs of the same nation. Their armies will be knit into one monstrous whole for the purpose of furthering the ambitions of the Smyth-Piggott of the new order,—Hitler. Some such move as that of which Rome reports the likelihood has been expected for some time. It fits in with the recent reports concerning the peacefeelers which the Nazis put out in Ankara, and those which they are said to have been spreading in the United States. Hence the significance of the German suggestion that her paramountcy should be conceded in eastern Europe and the Balkans, while those uncomfortably recalcitrant nations which though in temporary subjection will have none of Hitler or his works are again to be let footloose. Not even France, at least for the time being, is included in this latest proposal.

Of course the real idea behind any such move is an endeavour to present to the United States the picture of a united, happy Europe under Germany with its seven spiritual wives. Their union with Germany has been brought about either by out and out force, or by fraud. And there is not one of them who would not desire its former freedom if it were possible to get it. It is not to be thought for one moment that the proud free peoples of the Balkans would endure the Nazis' yoke if they could throw it off. That the United States knows quite as well as do those other peoples who have not been deluded by the speciousness of German assurances. But for the moment Hitler has control of their destinies. He is seeking to weld them into his war machine and bring about so far as they are concerned just that political, economic and military hegemony which he designed for the whole of Europe in the event of his proving victorious. But that will not occur, the promises of his ultimate defeat are already in the sky, and Hitler can have his little conference for all the eventual good it will do him.

THAILAND BALLYHOO

Aug. 12.

The Foreign Secretary, Mr. Anthony Eden, revealed during last week that the British Government was disturbed over the discrepancy between the peaceful declarations of the Japanese Government and the bellicose statements of the Japanese press. He remarked that these latter bore a resemblance to the charges and accusations which used to precede aggressions by the Nazis in Europe and expressed concern on that account. Though Mr. Eden's statement was clear enough both in what he actually said and in what he implied, there has been no improvement in the tone of the Japanese comments and news stories concerning Thailand and Indo-China. If anything, the accusations against Britain and the United States have become more extravagant than before. To many foreigners, not only Anglo-Saxons, they are difficult to understand owing to strange mixture of slogans with which they are interlarded—slogans such as "immutable policy," "life lines," "encirclement," the "new order in East Asia," and the "East Asia co-prosperity sphere." There have also been references to the geographical responsibility of Japan for the economic development of her neighbours in the Far East and for the preservation of their sovereignty which have confused the issue still further. It seems strange to some people that the Japanese press should claim geographical responsibilities for territories two thousand or more miles away, and not for territories like the Soviet Maritime Provinces which are just next door. While it may be that difficulties in translation account for part of the obscurity of the slogans being used by the Tokyo press, there is unhappily something so Nazi about the claims of geographical responsibilities and the rights which a nation's position on a map give to it, that there can be little doubt whence comes the inspiration for this line of reasoning. Geographical position carries with it certain advantages or disadvantages, but certainly confers no rights on one nation at the expense of another.

Owing to the control of thought and of expression of opinion which is exercised in Japan, the Japanese Government cannot altogether shrug off the responsibility for the provocative views and distortions of fact which are printed in the metropolitan newspapers. In countries where there is little or no control, such as the United States and Britain, the Government can justly claim that it has nothing to do with the more lurid opinions expressed by the newspapers. But where control exists, there is some excuse for regarding the press as the *alter ego* of the official spokesman—an *alter ego* which can be repudiated or contradicted at will, but whose existence has definitely to be taken into account by other nations in the calculation of their policies. In circumstances like this a press which makes itself look ridiculous is in danger of making its government also look ridiculous—which is a much more serious matter.

Some of the charges which have been made against "foxy Britain," as one newspaper describes the Empire, have been so fantastic that if they had been made in any other press, the reader would believe that the writers had their tongues in their cheeks. The British have been credited—or should it be debited?—with the deepest guile over the alleged appearance of H.M.S. Warspite in the Gulf of Siam. Many British subjects would be only too glad to believe that their permanent officials were capable of such guile, and their first reaction is to treat the allegation as a good joke. Their second reaction might be to rank it alongside that other strange perception which sees an intention of the United States to "seize" Vladivostok. Here is another example, reported by the Domei news agency:

> The outspoken "Kokumin" declared that British and United States gestures toward Thailand were designed to kill at least four birds with a single stone.
>
> 1. By stemming Japan's southward advance at the Thai-Indo-Chinese border.
>
> 2. A demonstration to the Soviet Union that British and American promises will not be mere words.
>
> 3. An attempt to save the face of the so-called ABCD alliance.
>
> 4. By preserving an East Indies foothold in the case of the possible transfer to the Netherlands East Indies of the exiled Dutch Government at London, and the removal of the British Government either to Australia or Burma following the Nazi invasion of the British Isles, since the transfer to Canada would compel an American war entry.

It is impossible not to be thrilled by statements like these. There are so many admissions, implications, and perversions in them, that it would seem that their inventors either have a very acute sense of humour indeed, or none at all. The latter is the more probable, since the newspaper which printed such rubbish is known to be under strong Nazi influence, and Nazis have no sense of humour except of their own childish variety, and might be expected to believe every word that they want to believe. It would not be difficult to continue quotations like the above in all sorts of connections but it would not be worth while. Enough has been said to show that sections of the Japanese press are in danger of making themselves a laughing stock outside their own country. No one is intimidated by such stuff, and it comes in deplorable contrast to the powerful commonsense with which Japanese thinkers have frequently dosed their countrymen. These latter frank admissions rouse admiration for their wisdom and courage wherever they are read, but much of their force is inevitably lost in the spate of nonsense which too frequently accompanies them.

Give the labourer his wage before his perspiration be dry.—Mohammed.

* * *

An inferior demon is not a great man, as some writers would fain persuade us.—Arthur Helps.

* * *

The taste for serving on committees is like the taste for blood, it is almost impossible to overcome it.—Thomas Wentworth Higginson.

* * *

Talk often but never long; in that case, if you do not please, at least you are sure not to tire your hearers.—Lord Chesterfield.

* * *

Experienced men of the world know very well that it is best to pay scot and lot as they go along, and that a man often pays dear for a small frugality.—Emerson.

* * *

Always pay; for first or last you must pay your entire debt. Persons and events may stand for a time between you and justice, but it is only a postponement.—Emerson.

* * *

If nature had intended man for thinking she would never have given him ears, or would at least, as with bats, whom I envy on this account, have furnished him with air-tight covers.—Schopenhauer.

* * *

Epictetus used to say that one of the vulgar, in any ill that happens to him, blames others; a novice in philosophy blames himself; and a philosopher blames neither the one nor the other.—Francis Bacon.

* * *

The same strong susceptibilities which make the personal impulses vivid and powerful are also the source from whence are generated the most passionate love of virtue, and the sternest self-control.—John Stuart Mill.

* * *

When the tyrant saith to anyone, "I will bind thy leg," then he who setteth store by his leg saith, "Nay, have pity." But he that setteth store by his own will, "If it seem more profitable to you, then bind it."—Epictetus.

* * *

A dispute begun in jest upon a subject which a moment before was on both parts regarded with careless indifference, is continued by the desire of conquest, till vanity kindles into rage, and opposition rankles into enmity.—Samuel Johnson.

* * *

Little localized powers and little narrow streaks of specialized knowledge are things men are very apt to be conceited about. Nature is very wise; but for this encouraging principle how many small talents and little accomplishments would be neglected!—Oliver Wendell Homes.

* * *

Imaginary evils soon become real ones by indulging our reflections on them, as he who in a melancholy, fancy sees something like a face on the wall or the wainscot can, by two or three touches with a lead pencil, make it look visible and agreeing with what he fancied.—Dean Swift.

* * *

But to what end, ladies, do you alter the gifts of nature by the shifts of art? Is there no colour good but white, no planet bright but Venus, no linen fair but lawn? Why go ye about to make the face fair by those means which are most foul? a thing loathsome to man and therefore not lovely; horrible before God and therefore not lawful.—John Lyly.

AROUND THE WORLD

Nazi Peace Feelers

From Ankara comes the report that Hitler is about to make an offer of peace to Britain. If it turns out to be true and Hitler really does make an offer to Britain, it will be the most staggering piece of impertinence which this war has yet seen. The world has become so accustomed to the Nazi technique that such a peace offer was fully expected, and within recent weeks spokesmen of the Democracies have gone to some lengths to emphasize that it will never even be considered. Mr. Winston Churchill, the Prime Minister, only recently stated: "We have but one aim and one single, irrevocable purpose. We are resolved to destroy Hitler and every vestige of the Nazi régime. From this nothing will turn us. Nothing. We will never parley. We will never negotiate with Hitler or any of his gang." That statement would seem to be definite enough; it could hardly be more emphatic. It is therefore amazing that the Nazi leader should imagine for a moment that any offer of peace he might make to Britain tomorrow would so much as tempt the War Cabinet to relax the Empire's efforts for a second. Hitler, of course, judges promises by a different standard from that upheld by the Democracies. To him a promise, a sacred commitment, means nothing more than a device to pull wool over the eyes of a powerful neighbour. It is something to be repudiated or ignored the moment it proves to his advantage to do so. His behaviour to Soviet Russia is the latest proof he has given of this treachery. Only two months ago he was bound to Moscow by a non-aggression treaty; today he is at war with the Soviets. Who can believe anything he swears to, in the face of his past record? Owing to his own folly, Hitler has got the German nation into a most difficult position. In Russia the German armies are making slow progress at almost crippling cost. In the rear of these armies the Royal Air Force is making tremendous ravages in Germany's factories and lines of communications. Hitler's hopes of postponing the starvation of his swollen empire by seizure of the harvests of the Ukraine have fallen through. His attempt to choke Britain by his war against shipping has recoiled on his own head. His "blockade" is failing, while the British have learnt from his tactics the way to intensify their own blockade of Europe. Mr. C. R. Attlee disclosed in the House of Commons that during July the British destroyed, damaged, or put out of action no fewer than 69 ships in the North Sea and the Atlantic, totalling 291,000 tons, while in the Mediterranean 23 Axis ships were destroyed, totalling 158,000 tons, not counting another 30 ships which Mr. Attlee described as having been "considerably damaged." This means a loss to the Axis of nearly 450,000 tons of shipping—a much greater loss to them than a similar loss would be to Britain, when the proportion of the mercantile fleets possessed by the belligerents is taken into consideration. Hitler is losing. He therefore wants peace. In Soviet Russia his vast armies are being held by an enemy who is as powerful numerically and in equipment as they are themselves. The Luftwaffe has shown itself to be quite incapable of preventing British raids on the heart of the Nazi war machine. Hitler's diplomatic offensives have lost their sting, since the force he previously used to back them up has diminished. And at this time, of all others he appears to be seeking to make peace!

Great Secrecy

President Roosevelt's holiday cruise, and Mr. Churchill's absence from the war debate in the House of Commons have led many observers to link the two together, and conclude that the two leaders have met somewhere and are conferring on subjects connected with the war. Whether that is so, or not remains to be seen, but it is quite clear that Mr. Churchill would not have taken the action he has of apparently withdrawing from the usual publicity associated with his high office if there were not something important afoot. The rumours which all this secrecy has inspired even go so far as to suggest that M. Stalin is also likely to be participating in these alleged discussions, which are said to be for the purpose of persuading President Roosevelt to give greater American aid to Soviet Russia in her resistance to the German invasion. The suggestion that Mr. Churchill may have flown across the Atlantic for the purpose of seeing the President is by no means improbable, for Mr. Churchill has all the courage necessary to make such a journey. If he has, there may be some who will criticize him for risking a life which is so valuable to the democratic cause at such a time as this, but the probability is that, if he has done so, it is because the results he hopes to obtain fully justify him in taking chances. One thing is quite apparent and that is that both the British and the American administrations if they wish to preserve a high degree of secrecy can in fact do so, for not all the prying reporters in the two countries appear to have been able to unearth what is supposed to be happening. There must be quite a number of people who know what is going on, but their lips like those of Earl Baldwin some years ago, have been sealed and that tightly. On the other hand if the two statesmen have not met there is a distinct possibility that the complexions of some of the political observers will have a distinctly reddish hue.

"Heil Schickelgruber"

Mr. Quentin Reynold's idea of calling Hitler by his real name, "Schickelgruber," in a recent broadcast talk, is an excellent one from the propaganda point of view and it also illustrates how the passion for changing names has grown in modern times. Lenin began it, or at least he was the greatest of moderns to set the fashion. Why he preferred being called Lenin to Vladimir Ilych Ulianov we do not know: the change may have begun as a revolutionary disguise. And he was imitated by the greatest of his colleagues, Trotsky, whose real name was Lev Davidovitch Bronstein. Later came Stalin, who was brought up as Yosif Visarionovitch Dzhugasvili, but preferred a name of his own choice. It is said that Hitler owes his much "heiled" name to his father's determination to get rid of the name, Schickelgruber. His father must have foreseen the future. He must have realized that dictatorship could never get much grip on a country in which the people were expected to hail the dictator with cries of "Heil Schickelgruber." Among English statesmen there has not been such a changing of names as in the families of modern European dictators. It has been stated that Oliver Cromwell's name should have been Williams and, if this is true, quite a genius for nomenclature was shown in the invention of Oliver Cromwell. Later statesmen in England made only minor alterations in their names. Dirsaeli left out an apostrophe between the "D" and the "I" at the beginning of his name. We are also told that the correct form of the Prime Minister's name is not Winston Churchill but Winston Spencer-Churchill with a hyphen. These variations are trifling, however, not to be compared with the catastrophic changes that have occurred in the family names of the dictators. During the quiet centuries that led up to the era of dictatorships it was usually writers and not politicians, who showed a dislike of the names given them in baptism. Francis Bacon, some say, began it when, having written some excellent plays he decided to call himself "William Shakespeare." George Eliot was a much more striking name than Mary Ann Evans but the Brontes were not so fortunate in their pseudonyms. Charlotte Bronte is a finer name than Currer Bell. Luckily the Brontes ceased to be Bells on the covers of their books. They had found the perfect name in Bronte which, itself, is supposed to be an invention concealing the original Irish name of "Prunty." Coming back again to modern times and the dictators it appears that there has been quite a spate of name changing in the United States. The other day, for instance, a housepainter called Samuel Joshua Hitler asked to have his surname changed to Gitler. About the same time Arnold Alvin de Ribbentrop expressed the wish to be called Robinson. Another American citizen, who makes his living by shrimping, Thomas di Grandi, showed a similar sensitiveness about a boat that was called Il Duce and he obtained permission to change this to Diana. "It costa me ten bucks," he said afterwards, "but I like mucha better."

What is called firmness is often nothing more than confirmed self-love.—Arthur Helps.

* * *

There is no rule more invariable than that we are paid for our suspicions by finding what we suspected.—Thoreau.

* * *

Fear God in respect of animals: ride them when they are fit to be ridden, and get off when they are tired.—Mohammed.

* * *

It is better not to see or to hear everything; many causes of offence may pass by us most of which are disregarded by the man who ignores them.—Seneca.

* * *

Our strength grows out of our weakness. Not until we are pricked and stung and sorely shot at, awakens the indignation which arms itself with secret forces.—Emerson.

* * *

There is a physiognomical character in the taste for food. C——holds that a man cannot have a pure mind who refuses apple dumplings. I am not certain but he is right.—Charles Lamb.

* * *

As no man ever had a point of pride that was not injurious to him, so no man had ever a defect that was not somewhere made useful to him....Every man in his lifetime needs to thank his faults.—Emerson.

* * *

Galene saith, "Much music marreth men's manners;" and Plato hath a notable place of the same thing in his books de Rep. well marked also, and excellently translated by Tully himself.—Roger Ascham.

* * *

Admonish your wives with kindness; for women were created out of a crooked rib of Adam, therefore if ye wish to straighten it, ye will break it; and if ye let it alone it will be always crooked.—Mohammed.

* * *

The use of force alone is but temporary. It may subdue for a moment, but it does not remove the necessity of subduing again; and a nation is not governed, which is perpetually to be conquered.—Edmund Burke.

* * *

Narrations of the greatest actions of other people are tedious in comparison of the serious trifles that every man can call to mind of himself.—Horace Walpole.

* * *

It would often be as well to condemn a man unheard as to condemn him upon the reasons which he openly avows for any course of action.—Sir Arthur Helps.

* * *

Perhaps no person can be a poet, or can even enjoy poetry, without a certain unsoundness of mind, if anything which gives so much pleasure ought to be called unsoundness.—Thomas Babington Macaulay.

* * *

The human mind is so constituted that the merits of both sides of a controversy appear very clear, and very palpable, to those who respectively espouse them; and both sides usually grow clearer as the controversy advances.—Daniel Webster.

* * *

He that carrieth mortar furtherethe the building, though he be no expert mason; he that diggeth the garden is to be considered, though he cannot tread the knots; The goldsmith's boy must have his wages for blowing the fire, though he cannot fashion the jewel.—John Lyly.

* * *

Most of all when thou blamest a man as faithless or ungrateful, turn to thyself. For the fault is manifestly thine own, whether thou didst trust that a man who had such a disposition would keep his promise, or when conferring thy kindness thou didst not confer it absolutely, nor yet in such way as to have received from thy very act all the profit.—Marcus Aurelius.

* * *

The independent English boy is the father of the independent Englishman; and you cannot have the last without the first. German teachers say that they had rather manage a dozen German boys than one English one. Shall we, therefore, wish that our boys had the manageableness of the German ones, and with it the submissiveness and political serfdom of adult Germans? Or shall we not rather tolerate in our boys those feelings which make them free men?—Herbert Spencer.

* * *

Every thinking person is well aware that the enormous loss of time caused by the friction of our legislative machinery has preserved the country from a great deal of crude and ill-digested legislation. Even Napoleon the Great, who had a rapidity of conception and of action so far surpassing that of other kings and commanders that it seems to us almost supernatural, said that when you did not quite know what ought to be done it was best to do nothing at all.—Philip Gilbert Hamerton.

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NEWS FROM THE INTERIOR

Japanese Drive North-West of Ichang

Hankow, Aug. 6.

Japanese forces were today reported driving at Chungking troops in the mountainous areas northwest of Ichang, following the capture on Monday of Paikuoyuan, 11 kilometres north of Ichang, and Tsaokia.

The Japanese crossed the Changkiachi River to follow the fleeing Chinese units, belonging to the 13th and newly organized 4th Divisions.

Further despatches reaching here today reported that Japanese forces which captured Chenki, western Hunan, last stronghold of the Chungking 13th and 16th Divisions, had returned to their original bases, their objectives having been accomplished. Chungking losses included 349 dead, and quantities of arms and ammunition.—Domei.

Fighting Near Ichang

Chungking, Aug. 7.

Japanese forces in the vicinity of Ichang, on the Yangtze River above Hankow, are launching attacks on Chinese positions in an effort to disperse Chinese concentrations threatening the Japanese salient there, declared a military spokesman at this afternoon's press conference.

The Japanese attacks, he added, were repulsed with heavy losses.

Meanwhile, a Japanese column north of Ichang crossed the Wutu River and attacked Chinese positions on the west bank. The Japanese made local gains yesterday but a telephone message from the front today claims that the Chinese recaptured the lost ground and forced the Japanese back towards the river crossings.

While the Japanese were attacking on the north bank of the Yangtze River, the spokesman continued, Chinese forces on the south bank launched an attack on the night of August 5 and captured strategic points opposite Ichang. The spokesman stated that 6,000 Japanese troops in four columns attacked Hohsueh, a strategic town on the north bank of the Yangtze River between Ichang and Hankow in an attempt to disrupt Chinese communications between Ichang and Hankow. Apart from one Japanese column which reach a point five miles north-west of Hohsueh, the other columns are said to have been driven back.

A Chinese column crossed the Yangtze River west of Shasi and raided Chiangkiou, according to the spokesman.

He estimated that the Japanese have two divisions in the Ichang area, having already withdrawn one division and one brigade. The Japanese attacks had been launched in an effort to strengthen the outer defences of Ichang, he added.—Reuter.

Mopping-Up Operations

Hankow, Aug. 6.

Japanese forces on August 3 successfully carried out mopping-up operations against remnants of the new 13th and 16th Divisions of Chungking's Army entrenched in the mountains southwest of Juichang, in Kiangsi Province, field reports revealed.

The reports said that the routed enemy left behind 349 Chinese dead and six prisoners. Booty seized by the Japanese included four machine guns, 65 rifles and quantities of other arms and ammunition.—Domei.

Tsinan Operations

Tsinan, Aug. 8.

Japanese forces operating in Shantung Province during July engaged more than 83,100 Chungking troops including 52,300 Communist troops in a total of 448 combats, of which 266 were with the Communists, a semi-official Japanese Army announcement revealed. The enemy left a total of 3,111 dead and wounded behind, while 559 were taken prisoner.—Domei.

Soviet Diplomat Sees Nanking Official

Canton, Aug. 6.

M. Dmitrii Jukov, Counsellor to the Soviet Embassy here, called on Mr. Tamao Sakamoto, Director of the Bureau of European and Asiatic Affairs of the Nanking Foreign Office, for more than one hour.—Domei.

Nanking Prepared

Nanking, Aug. 6.

Sources close to the Nanking Government showed no surprise over reliable reports from Chungking that the Central Committee of the Kuomintang had instructed its "special duty" agents, scattered throughout China, to redouble their subversive activities against the Nanking Administration and Japan.

These quarters asserted that Nanking was fully prepared to cope with any underground offensive by Chungking.

The Chungking special duty agents, it was understood, were instructed to foster revolts in the Nanking Army, corrupt National Government officials, and increase terroristic activities. Instructions were reported to have been sent to the agency after a meeting of the Central Executive Committee of the Kuomintang in Chungking recently.—Domei.

Japanese Planes Active Over Wide Areas

Chungking, Aug. 5.

The Japanese are continuing extensive aerial activities in different parts of China.

After extensive raids on cities in the west and south of Hunan on August 3, it is learned that yesterday 52 Japanese aircraft, taking off from Hankow, again raided cities in Hunan and in Kwangsi. Nine raiders bombed Kengyang, while other machines bombed Chengchow, Luaiyang, Chiyang, and Lengshuitang.

Thirty-four Japanese aircraft yesterday also bombed Yenan, so-called capital of the Communist district in North Shensi, while three others cruised over Hancheng.—Reuter.

Heavy Raids in Hunan

A Japanese Naval Air Base, Aug. 5.

Japanese naval bombers hammered eight different and widely scattered Chungking bases in Hunan Province yesterday, inflicting severe damage on enemy air facilities, arsenals, and godowns, the Press Section of the Japanese Central China Seas Fleet announced today.

Waves of raiders bombed Kiyang, Hengyang, Lengshuitan, Lelyang, Chuchow, Nengying, Yungshing, and Chenhsien. Kweilin in north-eastern Kwangsi was also blasted by the naval bombers.—Domei.

Kansu Base Raided

Central China, Aug. 5.

Taking advantage of fine weather, Japanese Army air units this morning flew deep into the Chinese hinterland raining bombs on munition dumps and other military objectives at Tienshui, Chungking's important military base in Kansu Province. Despite intensive anti-aircraft fire all planes returned to their base.—Domei.

Yenan Bombed Again

Nanking, Aug. 4.

Following up yesterday morning's bombing attack on Yenan, important base of the Chinese Communist Army in Shensi Province, large formations of Japanese Army planes returned there again and carried out a heavy raid on Red troops, the press section off the Japanese Expeditionary Forces to South China announced.

Meanwhile, another Japanese formation attacked Patung, in west Hupeh Province, the announcement said. All planes, it was claimed, returned to their bases safely.—Domei.

Wukung Bombed

Somewhere in Central China, Aug. 5.

Japanese Army bombers swooping down on Wukung this morning in continuation of raids on bases of the Communist Army in Shensi province, heavily bombed military objectives in the city and outskirts, according to the press section of the Japanese Expeditionary Force to Central China. It was said that all planes returned to their bases safely.—Domei.

Fengsiang Raided

A Japanese Army Air Base, Aug. 6.

Units of the Japanese Army air force early this morning carried out a sudden raid on Fengsiang, in Shensi Province, destroying important military stores concentrated outside the city, reports reaching here revealed. All Japanese planes returned safely to their base.—Domei.

Third Successive Raid

A Japanese Naval Air Base, Aug. 6.

A Japanese naval air unit yesterday launched the third consecutive raid on Hengyang, in Hunan province, and blew up a group of military godowns, south of the city, causing fires to break out at several points, according to a communique issued by the Japanese Central China Fleet this morning.—Domei.

Wushan, Changteh Raided

A Japanese Army Air Base, Aug. 6.

Five Japanese Army air units yesterday raided Wushan in Kansu Province, strategical point on the north-west route, and Changteh in Hunan Province, important military base in the Sixth War Zone.

At Changteh, the Japanese raiders blew up a powder magazine, mine plant, and provisions godowns, while at Wushan they successfully reduced military establishments. All Japanese planes returned safely to their base.—Domei.

Big Air Battle

Chungking, Aug. 7.

One hundred Japanese aircraft bombed Lanchow, the capital of Kansu, yesterday, according to an unconfirmed report reaching here Chinese fighters are said to have engaged the raiders in a big air battle.—Reuter.

Raids on Chungking Renewed

Chungking, Aug. 9.

After an eight-day respite due to bad weather Chungking had five air raids in 24 hours. After yesterday afternoon's raid in which more than 100 planes heavily bombed western suburbs, the north bank of the Chialing River and the South Bank of the Yangtze opposite Chungking, raiders made a night attack in bright moonlight.

Shortly after midnight seven planes dropped bombs near the west gate. Early this morning 27 machines bombed the western outskirts followed two hours later by 18 aircraft. Early this afternoon 27 planes again dropped bombs in hills there, many landing in the area where the residence of the British Ambassador, Sir Archibald Clark Kerr, is located.

It is announced that several persons were killed yesterday afternoon when two unfinished dugouts partially collapsed after direct hits. On the south bank of the Yangtze many bombs landed on a ferry, several in the river immediately below Chungking.

No military objectives were hit in these almost continuous raids which apparently are being made for their nuisance effect, keeping the populace in dugouts day and night.—Reuter.

Sian Bombed

Nanking, Aug. 9.

Japanese Army bombers this afternoon severely blasted Sian, capital of Shensi Province, and Sienyang, 30 kilometres northwest of Sian, the Press Section of the Japanese Expeditionary Forces in China announced.

Despite intense ground barrages the Japanese planes dumped their destructive loads effectively on military objectives.

Other Japanese Army air units, the communique stated, struck at targets concentrated at Hancheng in central Shensi, causing large fires to break out.

All planes participating in the raids returned safely, the communique added.

Other Attacks

Meanwhile, the communique revealed that two Army air formations yesterday raided Taninchang, on the eastern border of Szechuen Province, demolishing military establishments.

Further announcement revealed that Army bombing squadrons carried out a devastating attack on Ichwan in northern Shensi Province, where a huge fire was caused in the centre of the city.

Another two waves of Army bombers bombarded Santowping, 50 kilometres west of Ichang in western Hupeh. A large number of military vessels on the Yangtze, loaded with troops were sent to the bottom.—Domei.

"Red Road" Raided

Chungking, Aug. 8.

Japanese planes continued yesterday their raids on communication centres in Hunan province.

Eighty one machines took part in these raids, dropping incendiary bombs. Damage was slight.

Lanchow in Kansu, an important centre on the "Red Road" to U.S.S.R. was also bombed by the Japanese.—Havas Telemondial.

Paoki Bombed Again

At A Japanese Army Air Base, Aug. 7.

Following yesterday's raid on Paoki, in western Shensi Province, Japanese Army air units at dawn this morning again attacked the city, severely bombing remaining military establishments and goods stored there. All planes returned safely to their base.—Domei.

Action Over Honan

Japanese Army Air Base in Central China, Aug. 10.

Formations of Japanese Army aircraft this morning carried out successful raids over Santowping, 10 km. northwest of Ichang, in Honan Province, and Lotienki, 35 kh. northeast of Ichang. Army officials here disclosed.

It was understood that the Japanese planes rained tons of bombs on military objectives at both points inflicting severe damages. Meanwhile, another formation of Japanese Army air units this morning raided Tungchow, in Shensi Province, scoring direct hits on numerous military objectives located in the heart of the city.

Naval Planes Blast Chengtu

Formations of Japanese naval planes carried out a mass raid on Chengtu, capital of Szechuan, destroying military objectives in the city, the Japanese Central China Seas Fleet announced. All planes returned to their base safely, the announcement said.—Domei.

Munitions Factory Bombed

Japanese Naval Air Base in Indo-China, Aug. 10.

Formations of Japanese naval aircraft this afternoon raided and destroyed one of the Chungking's most important munitions factories located at a point 10 km. northwest of Kunming, the press section of the Japanese Fleet in south China waters announced.

It was understood that despite severe anti-aircraft firing, the Japanese planes bombed the munitions factory at will and returned to their base safely.—Domei.

Japan Said Reinforcing Manchoukuo Garrison

London, Aug. 6.

Authoritative sources here yesterday said that Japan had about 250,000 troops in Manchoukuo before starting to reinforce them "substantially" last week.

Authoritative sources also said there was no confirmation here of reports of Russo-Japanese border clashes.—United Press.

Reaction in Peiping To Freezing

SPECIAL TO THE "N.C.D.N."

Peiping, Aug. 2.

I must confess that I have not noticed anything of the panic among the British and American communities in Peiping, which according to reports apparently current in Shanghai are supposed to have overtaken them, when the Japanese announced their retaliatory freezing measures here. A certain small section of the American community here, not being used to that sort of thing, may at first have taken fright at the usual Japanese pinpricks, the invariable concomitant of any action by another power that the Japanese do not happen to like, which commenced at once.

Because the Chinese police were said to have gone to some of the compradore shops and told them not to sell to British or Americans, it was said we were to be starved to death. Though, in any case, how the shop was to know whether my servant was working for a Briton or a Croatian, it is hard to see. Then the usual question of one's employees was taken as another ominous symptom. The British community, anyhow, was quite unmoved. Two or three years of the anti-British movement and the rest of the tomfoolery have left people rather hardened.

Little Foreign Business

Leaving aside the pinpricks, which, of course, have nothing whatever to do with it, the freezing order has affected Peiping less than most places in China. For it is not a trading centre, in the true sense of the word, and the volume of foreign business is infinitesimal compared with that done here, even at the best of times, of Shanghai or Tientsin. Moreover there are only two banks involved, and they are situated inside the Diplomatic Quarter, with the rights of which the Japanese have, so far, made no attempt to interfere.

The chief impression one gets of the events of the last week are those of confusion and bewilderment, as nobody seems to know—and the Japanese and Chinese authorities least of all—what the so-called freezing order really covers. In the first two or three days British and American nationals found, to their pained surprise, that the Japanese railway people refused to hand over to them their heavy luggage which had been accepted for registering in the ordinary way when they got on the train. This, which certainly comes pretty close to sharp practice, had nothing whatever to do with freezing assets, nor was any attempt made to justify it by quoting any regulations. It was merely the usual retaliation, because, as one Japanese railwayman told the complaining traveller "you and America treat Japan very badly."

Usual "Mistake" Made

After official protests had been made however, and talk of protests to Washington, it was discovered that the usual "mistake" had been made, and the baggage was handed over to the owners. But the question of checking the heavy baggage of "frozen" nationals still seems unsettled, as there is talk of an order forbidding the taking of property worth more than $100 out of the country. There was also the usual phenomenon that accompanies all Japanese anti-movements: spies hanging about the entrances of the Legation Quarter, and questioning and searching of all Chinese passing in and out.

This action, although not presumably laid down in any asset freezing regulations—if, indeed such exist—had a certain connection therewith, in that it was doubtless intended to frighten off any Chinese from having financial dealings with any British or American firms or banks. And in that object, I understand, it was quite successful.

No Protective Picketting

There seems, however, to be no definite or combined plan in the application of these various pinpricking measures, which seem to depend chiefly on the attitude of the different local, and often individual, Japanese authorities. Unlike what has been happening in Tsingtao and elsewhere, here there does not appear to have been any protective picketting of British or American firms in the city itself, that is to say in occupied territory.

With regard to the protective cordon business, the local Chinese press—with Japanese connivance, of course—offered an ingenious, if not entirely convincing, explanation. It appears from this story that recently in Kaifeng, Honan, violent anti-American demonstrations have been taking place outside some of the American missions there—rather an unusual admission to find published in the Chinese press these days—and that careful investigations by Japanese authorities have established that the trouble there and elsewhere was due to the activities of Chungking agents, who have received orders to create incidents so as to embroil Japan with the United States. Meanwhile, the recent action of the British and American governments in freezing Japanese and Chinese assets has deeply incensed the people of north China.

Ever-Solicitous Authorities

And the authorities, ever-solicitous for the safety of foreigners residing in their midst and fearing lest these wicked Chungking agitators should use this opportunity to stir up further trouble, have given special orders to afford special protection to the property and persons of British and American nationals.

So, now one knows that it is really Chungking, and not the Japanese, who are responsible for the cordons round foreign firms at Tsingtao and elsewhere. The only surprising feature of this story is that after four years of intense activity by the Japanese gendarmerie there are still Chungking agents in north China capable of chusing trouble.

Although, then, except for a slight increase in the usual pinpricks, Peiping has on the whole so far not been suffering so very badly from retaliatory measures, it is by no means certain that things will remain so. It is more than probable that, if the Anglo-American economic blockade proves really effective and the Japanese begin to feel the pinch, the screw will be tightened on British and Americans in these parts.

American Mission in Hengyang Bombed

Shanghai, Aug. 7.

The Presbyterian China Council received the following telegram on August 4 from Dr. J. A. Stringham, superintendent of the mission hospital at Hengyang, Hunan: "Abbott house partly destroyed today bombing people safe."

Presbyterian Mission property at Hengyang has been bombed and damaged seven times since November 1938. The property in one part of the city has been subjected to three bombings. The property in another part has sustained losses from four bombings. Demolition and incendiary bombs have done great damage on three occasions to the compound that was again struck on August 4.

Three residences, a large school building and several units of the hospital plant have been partially or wholly destroyed. It will be noted that the buildings have been clearly marked with large painted American flags with a view to affording a degree of protection from bombing.

Yangtze in High Flood

Chungking, Aug. 5.

The waters of the Yangtze river attained the highest level in the three past years when on the morning of August 3, they reached the 70.2 foot mark.

Yesterday morning torrential rain further contributed to the rise of the mighty river. Numerous houses on both banks were either washed away or destroyed by landslides. Fortunately no casualties were reported.—Havas Telemondial.

Yangtze Rise Continues

Chungking, Aug. 6.

The rise of the Yangtze River level continued unabated today, reaching 80 feet, as torrential rains of the past few days caused the river to exceed the level established thirty years ago.

A hydrographics expert declared that the waters of the Yangtze, rushing down inclines, were threatening to break through dams in several towns of Hupeh. Ichang may soon be flooded.

Should the waters of the Han River rise also as in 1931, Hankow would be completely under water.—Havas Telemondial.

Colony Council to Vote On War Expenditures

Hongkong, Aug. 6.

The Hongkong Legislative Council tomorrow will vote on HK$4,790,000 for special war expenditures.

The sum includes HK$2,900,000 for food control, HK$713,798 for meat and butter reserves, HK$8,968 for anti-sabotage measures and HK$442,000 for air raid precaution work.—United Press.

Border Clashes Denied

Moscow, Aug. 8.

M.S.A. Lozovsky, Foreign Vice-Commissar, yesterday said that reported clashes along the Soviet Manchoukuoan border were "pure newspaper fantasy."

"Relations between the U.S.S.R. and Manchoukuo remain the same despite the writings of journalists," M. Lozovsky said.—United Press.

Relations Remain Same

Moscow, Aug. 7.

M.S.A. Lozovsky, Vice-Commissar of Foreign Affairs, asserted at a press conference that Soviet-Japanese relations "remain the same today as at the time the neutrality pact was signed."

M. Lozovsky's statement was made in reply to a request by a Japanese correspondent for a comment on reports of renewal of clashes on the Soviet - Manchoukuoan border.—Domei.

Aluminium in Kweiyang

Chungking, Aug. 10.

Important deposits of bauxite, principal source of aluminium, have been discovered near Kweiyang, capital of Kweichow.

A sample of this newly discovered mineral was found to contain 55 per cent. of pure metal.—Havas.

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Thailand Recognition of Manchoukuo

Bangkok, Aug. 5.

Thailand formally recognized Manchoukuo, it was officially announced by the Foreign Ministry today.

It was understood that the Thailand Foreign Ministry informed the Japanese Legation here this morning regarding her recognition of the Manchoukuo Government since August 1. The Manchoukuo Government already had been officially informed, the announcement stated.—Domei.

Manchoukuo's Ticket System

Changchun, Aug. 4.

The Government announced today a list of fifteen staple goods which will be placed under a ticket system soon. The purpose of this measure is to rationalize distribution and establish a just price for necessities.

The Government plans to establish a nationwide neighbourhood organization, presumably on the lines similar to an organization in Japan, to supervise general distribution and ration tickets to consumers.

Listed among the items are rice, flour, kaoliang, millet, bean oil, dairy products, sugar, salt, matches, lighting fuel, cotton goods and rubber shoes.—Domei.

U.S. Protests Japanese Anti-American Activities

Peiping, Aug. 14.

The United States Embassy yesterday protested to the Japanese Embassy against certain anti-American activities, such as refusing to deliver registered luggage at railway stations, interference with postal matters, picketing firms at Tsingtao and elsewhere.

It should be noted that none of these Japanese activities, from which the British are suffering equally, has any connection with the recent freezing of assets, but is merely the usual though intensified manifestations of Japanese bad temper, and concomitants of every Japanese "anti" movement to which British communities in North China have been intermittently exposed during the last three years.—Reuter.

Natural Gas Deposits Found in Szechuen

Chungking, Aug. 5.

The Oilfields Exploration Bureau of the National Resources Committee (headed by Dr. Vong Wen Hao, the Minister of Economic Affairs) has discovered natural gas deposits in southern Szechuen which are extremely abundant and can be used as fuel for trucks.

The gas is said to develop more power than alcohol or charcoal and the only expense lies in the extraction process.

As from this month, buses on the Chungking-Kikiang run will use this gas, which will be extended to other bus lines. Kikiang is situated some ten kilometres south of Chungking.

It is recalled that many such gas deposits exist in Szechuen and that natural gas in being used as fuel in the furnaces of the salt-producing area of Tseliutsing.—Havas Telemondial.

Hongkong Forced to Import Opium

Hongkong, Aug. 6.

The Hongkong Government has been forced to purchase opium to meet the increasing demands of smokers who have had difficulty in obtaining their favourite drug because of a lack of smuggling, it was revealed today.

The scarcity of opium here was the result of the Sino-Japanese hostilities in south China which have prevented the smuggling of opium into the Crown Colony.

The Hongkong Government thus found it necessary to spend HK$400,000 to purchase raw opium to supply the smokers with the drug.

This was the first time since 1937 that it was necessary to purchase fresh supplies of Government prepared opium. One hundred and thirty-five cases of such opium were recently purchased from Singapore.—United Press.

Hongkong Not Banning Japanese Shipping

Hongkong, Aug. 10.

Although Japanese assets have been frozen, the Hongkong Government was not prohibiting Japanese shipping from touching at the Colony, Mr. N. L. Smith, Colonial Secretary, declared in an interview on Friday.

He asserted the shipping policies of the Hongkong Government were similar to those of the United States, adding that no official enunciation regarding this point was deemed necessary by the authorities here.—Domei.

FAR EASTERN CRISIS

Japanese Threat to Thai Denied

Tokyo, Aug. 5.

RUMOURS hinting at an immediate Japanese invasion of Thailand were dismissed by the Deputy Spokesman of the Information Board, Mr. Koh Ishii, at today's press conference, with the brief statement: "The term joint defence of Indo-China speaks for itself."

The spokesman said that Japan so far was only considering joint defence of Indo-China with France, though she was conducting economic negotiations with Thailand.

Regarding negotiations with the Soviet Union, Mr. Ishii revealed that several negotiations were going on with the U.S.S.R., including fishery and border questions, while the commercial treaty must be referred to the Privy Council.

Queried regarding trade talks between the United States and the Soviet Union, the spokesman said that Japan had no intention to interfere with American policy towards Russia.

Asked if Japan would assume the same attitude towards United States policy towards Europe, he replied affirmatively, with the reservation, "if the United States limits her activities in Europe and does not extend them to the Far East. If it concerns us, we must consider it."

Trade with N.E.I. to Continue

"Both Japan and the Netherlands East Indies have no intention to stop their trade, but, on the contrary, want to continue it through an arrangement which must be discussed," Mr. Koh Ishii, Deputy Spokesman of the Information Board, announced at the press conference today.

This was in reply to a query regarding a Batavia dispatch to the "Yomiuri Shimbun" reporting that an understanding had apparently been reached between Japan and the N.E.I.

The N.E.I. had followed the British and American example in freezing Japanese assets, said the spokesman, who alleged, however, that "as may be noted by disinterested observers," the N.E.I. claimed independence of action.

"We may not be able to expect the trade volume to be the same as before," declared Mr. Ishii, "but Mr. Yotaka Ishizawa, the Japanese Consul-General at Batavia, is now discussing trade questions with N.E.I. authorities, including the oil question."—Reuter.

N.E.I. Agreement Said Reached

An understanding has apparently been reached between Japan and the Netherlands East Indies regarding a readjustment of trade relations, reports the Batavia correspondent of the "Yomiuri Shimbun," quoting information emanating from a "certain quarter."

The correspondent says that the shipment of merchandise under a provisional arrangement from ports in the two countries may be permitted on a basis of mutual aid.

May Resume Shipping to U.S.

Japan may resume shipping services to the United States if it is profitable from a commercial point of view, stated Mr. Koh Ishii, Deputy Spokesman of the Information Board, at today's press conference, in connection with the suspension of Japanese steamship services, including the N.Y.K., to the United States.

The N.Y.K. liner Tatuta Maru had been released, but her cargo was detained by American authorities, the spokesman revealed, adding that the Asama Maru and other N.Y.K. steamers were waiting for the outcome of the Tatuta Maru case.

Queried regarding future trade relations between Japan and the United States, Mr. Ishii said: "We are not optimistic, because in the worst eventuality there will be no trade at all, though the freezing of assets may not be intended to suspend business entirely."

Asked if retaliation would be taken against the United States in connection with the Tatuta Maru case, the spokesman admitted that that was also a matter which must be considered in case of necessity.—Reuter.

Japanese Pressure On Thailand

Bangkok, Aug. 5.

Diplomatic commentators here sum up the situation at the moment as follows:

Viewed against the background of the Thai Government's statement of foreign policy of July 29, the latest developments can bear only one interpretation whether the Thai Government likes the idea or not.

In the first place Thai bankers have had to accommodate the Bank of Japan to enable it to face the consequences of the British and American freezing orders.

Secondly, the Thai Government must soon announce recognition of Manchoukuo at least, and thirdly, the entire Japanese press acclaims the bank credit and recognition as Thailand's willing entry into the new order.

Commentators are of the opinion that Japanese pressure has thus succeeded in effecting a small breach between Thailand's avowed policy and actual practice.

Whether the breach will be speedily widened, it is felt here, depends on whether a power like the United States appreciates the urgent need for help if Thailand is to avert ultimate tragedy.—Reuter.

Thailand Ready to Defend Neutrality

Bangkok, Aug. 6.

Thailand is watching developments most vigilantly, and has an unshaken determination to defend her independence. That is the keynote of the situation as seen by competent observers.

The Japanese-Thai situation continues undoubtedly to be grave, but the tension is now slightly eased. Observers point out that an unequivocal pronouncement from Britain and America that they will decisively react to any evidence of undue Japanese pressure on Bangkok will be opportune and go a long way to relieve tension.

Meanwhile, Thai opinion is reflected in the prominence given in the Thai press to Far East crisis news from British sources.

It is a well-known fact that despite the demilitarization clause in the Thai-French treaty, adequate facilities have been placed at the disposal of Thai armed forces for the defence of the Cambodian provinces recently taken over by Thailand.

It is officially announced that the Tank Department of Thailand's eastern forces has been established at Batambong.

Contingents of mechanized troops as well as a large police force have already been dispositioned in the newly-ceded territory, where the troops will remain for a month under the Tokyo Treaty.

Large Japanese forces are concentrated along the great lake adjoining the Thai frontier at Cambodia, where plans for the construction of a base for the naval air arm is under way, reports the newspaper "Srinrung."—Reuter.

Japanese Silent

Tokyo, Aug. 6.

Japanese Government circles are continuing to maintain absolute silence regarding Thailand, amid persistent press, private and official indications of a period of intensive internal preparation for the inevitable worst.

The keynote of the present situation was seen in a magazine article published by Commander Hideo Hiraide, the Navy spokesman.

Admitting that Japan was completely cut off from her allies, Commander Hiraide foresaw Japan fighting alone in the Pacific.

The writer sounded confident of a Nazi victory over Russia but was anxious lest the United States should previously acquire bases in Siberia, threatening Japan's back.

Reports of Thai troop concentrations on the Indo-China border were explained in Government circles here as preparations for the occupation of ceded territories after the final demarcation of the new Thailand-Indo-China frontier. They stated they were unable to say definitely whether Thai forces were opposite the new Japanese positions.

Additional British reinforcements in Malaya were viewed as a continuation of the past programme.—Reuter.

Thai Will Resist Aggression

Bangkok, Aug. 8.

Thailand does not intend to yield bases within her territory to an outside power, a source close to the Premier told the United Press yesterday. Questioned concerning conflicting rumours of Anglo-Japanese requests for Thai military bases, the source said that the Government had no intention to yield if such requests come.

He said that Thailand was ready to resist any moves likely to impair Thailand's sovereignty and territorial integrity.

Meanwhile, a rumour circulated here that there would be a change of American Ministers.—United Press.

Thai Assurances

Bangkok, Aug. 8.

Thailand markets will not be closed to any country, certainly not to Britain who was always assured of as much supplies of Thailand commodities as she wanted, said Mr. Nai Vanich Pananonda, Thailand Director-General of Commerce, and of the plenipotentiaries at the Tokyo mediation conference, in a press interview.

He denied that Japan has made any economic demands and explained that the Japanese spokesman probably meant the recent 10,000,000 ticals credit from the Thailand banking syndicate when he said yesterday that Japanese-Thailand economic negotiations were under way.

Open Door to All

He emphasized that Thailand keeps an open door to all countries that trade with her and does not intend to accord special treatment to any one Power.

Questioned about possible Japanese demands for a monopoly on Thailand rice, tin and rubber, he said such action was "improbable." He pointed out that Japan was already buying large quantities of the commodities.

Thailand turned down Japan's request more than ten times before she finally agreed to recognize Manchoukuo, says the daily "Prajamitra."

Thailand's assets and credits in foreign countries are safe and rumours alleging that they have been frozen by some countries are baseless, says the Thai Ministry of Finance. It is pointed out here that Thailand reserves are held principally in Britain and America.—Reuter.

Tokyo Denies Designs

Tokyo, Aug. 8.

"Japan has no designs on Thailand—she is on very good terms with that State," declares the "Japan Times," the organ of the Japanese Foreign Office.

It accuses Britain of "raising the Japanese bogey to camouflage her own aggressive intentions for strengthening Singapore through the creation of advance bases at the expense of Thailand."—Reuter.

Plane Passage Refused

Saigon, Aug. 8.

Thailand is reported to have refused the passage of a four-motored Japanese passenger seaplane from Saigon to Bangkok.

The plane was due to pick up Thai delegates to the boundary commission, who have not yet arrived.—Reuter.

Thailand Will Fight

Bangkok, Aug. 9.

Thailand's armed forces will fight if that is necessary to carry out Thailand's policy of strict neutrality and friendship for all; and they will maintain the traditional prestige of Thai forces by fighting to the last, states a communique issued here.

The official announcement denies that any country has demanded bases from Thailand or threatened her. The statement stresses Thailand's indifference to troop movements outside Thai territory and repeats that Thailand has no anxiety about aggression.

Last Drop of Blood

Bangkok, Aug. 9.

Thais will fight to the last drop of their blood to preserve national independence, whatever direction the attack may come from, declared a prominent member of the Cabinet, Luang Vichit Vathakarn, in an interview with the Thai press. He added that the Government was determined to maintain strict neutrality.

What the Thai press thinks of the utterances of Messrs. Anthony Eden and Cordell Hull in connection with the Japanese-Thai crisis may be gauged from the fact that the majority of Thai morning papers played up the statements with front-page streamers.

"Little Better"

"Little better" is how diplomatic quarters guardedly describe the Japanese-Thai situation during the last few hours. They express the opinion that statements by Mr. Anthony Eden and Mr. Cordell Hull have encouraged the Thais, but emphasise that the atmosphere is still one of suspense.

Provided the slight improvement in the situation is maintained, they believe that it might not be too rash to hope that this storm would blow over in the same way as the recent Netherlands East Indies storm, though the two are not exactly parallel.—Reuter.

Friendship With All

Bangkok, Aug. 10.

The Thailand Government yesterday officially reiterated its policy of equal friendship with all nations and in an official communique denied that any foreign power had requested the right to establish military bases in Thailand.

Movements of foreign troops outside the country are of no concern to Thailand, and Thailand is not worried over the possibility of aggression, the communique added.

Thai armed forces will carry out their duty "of preserving honour to the last minute," it was stated.—United Press.

Activity in Bangkok

Bangkok, Aug. 10.

The extraordinary Cabinet meeting yesterday morning, lasting about three hours, combined with a great deal of diplomatic activity for a Saturday, is taken to mean that the situation is being watched with unrelaxing alertness.

A local newspaper report says that 25 Japanese officers have landed at the north Indo-China frontier aerodrome of Vientianne in eight large-sized warplanes. The speeding up of construction of an air base there has attracted a great deal of attention here.

With painful memories of the Vientianne of the recent Thai-Indo-China conflict days still fresh in their minds, it is stated that Thailanders are not particularly happy over this latest development.—Reuter.

More Pressure Alleged

Tokyo, Aug. 10.

The metropolitan press unanimously condemned Anglo-American pressure on Thailand, stressing that the latter country's independence must be preserved—with the full support of Japan if need be.

The influential "Nichi-Nichi" said that Japan was more concerned over Thailand's independence than the announced anxieties of Britain and the United States.

"It must be realized that Japan will give absolute support to Thailand's efforts to overcome Anglo-American pressure, and if necessary will adopt forcible steps to eliminate the attempts of third countries to thwart Thailands independence.

The newspaper said that the Thai recognition of Manchoukuo and the credit accommodation extended to Japan both indicated the Thai realization that it was best to co-operate with Japan in order to fulfill her role in the prosperity sphere.

So-called Exploitation

It was significant that these Thai steps were followed immediately after by an intensification of Anglo-American pressure on Bangkok. The "Nichi-Nichi" cited the appearance of the British battleship Warspite in the Gulf of Siam and the concentration forces near Thai borders, accompanied by the exploitation of Anglo-Thai financial ties.

The editorial stressed that the Anglo-American attitude utterly ignored Thailand's own welfare. The two powers, it was asserted, merely were trying to further their own interests in the Far East.

The "Asahi Shimbun" asserted that the threatening Anglo-American gestures toward Thailand will not have the slightest effect on Japan's fixed Far Eastern policy.

The daily commended the Thai Premier, Luang Bipul Songgram, for his courageous resistance against British and American pressure.

Predicting failure of British manœuvres in the Orient, the "Asahi" recalled the fate of Greece and Yugoslavia, as well as other European nations which it alleged were let down by Britain.

Thailand's stand was compared with the attitude adopted by Turkey and Iran who elected to rely on themselves to maintain independence.

Four Birds With One Stone

The outspoken "Kokumin" declared that British and United States gestures toward Thailand were designed to kill at least four birds with a single stone.

1. By stemming Japan's southward advance at the Thai-Indo-Chinese border.
2. A demonstration to the Soviet Union that British and American promises will not be mere words.
3. An attempt to save the face of the so-called ABCD alliance.
4. By preserving an East Indies foothold in the case of the possible transfer to the Netherlands East Indies of the exiled Dutch Government at London, and the removal of the British Government either to Australia or Burma following the Nazi invasion of the British Isles, since the transfer to Canada would compel an American war entry.—Domei.

Japanese Convoys Head For Thai Frontier

Saigon, Aug. 6.

While half a dozen Japanese freighters come up the Saigon river daily past a cruiser and five destroyers moored on the Bund, long lorry convoys continue to roll towards the Thai frontier. A large number of lorries have departed since Saturday.

A typical convoy consists of half a dozen Harley-Davidson motorcycle combinations and about 60 Chevrolet and Ford trucks, half containing 25 troops each and the remainder carrying a few troops and material, including small field pieces and trench mortars.

A few trucks carry long-barrelled 75's, which are probably guns for all purposes, with a high elevation against aircraft.

No heavy artillery has yet been seen, although warehouses and docks are jammed with troops from Tongking. The remainder of the Japanese forces came from Canton a considerable proportion having seen service at Nanning.

It is understood that all buildings surrounding the main square at Pnom Penh have been commandeered by the Japanese, and that occupation is proceeding apace.

The present rainy season is likely to hinder the manœuvreability of the Japanese forces, and it is expected that they will be fully occupied for several weeks consolidating their positions and building up military stores.

Japanese trucks are at present operating on their own imported petrol.

Saigon remains quiet, although American firms are taking immediate steps drastically to reduce their foreign staffs.—Reuter.

"No Demands"

Hanoi, Aug. 6.

No Japanese demands have been made concerning the territory of Kwangchowan, where the situation is normal, it was authoritatively stated here today. Tendencious reports published on this subject were categorically denied.—Havas Telemondial.

"According to Plan"

Bangkok, Aug. 6.

"Things seem to be going according to plan," is the ironical comment of the people of Thailand on the recognition of Manchoukuo by the Thailand Government.

Fresh importance is attached to the report that the Thai Minister at Washington is the only diplomat in the capital to be received by the Secretary of State, Mr. Cordell Hull, since his return to office after some weeks' absence. The outcome of this meeting is keenly awaited.—Reuter.

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FAR EASTERN CRISIS (continued)

Britain Able to Send Fleet To Pacific If Necessary

Sydney, Aug. 4.

THE help the United States was giving Great Britain in the Atlantic would enable Britain to send a fleet to the Pacific if needed, declared the Australian Navy Minister, Mr. W. M. Hughes at a recruiting rally yesterday.

The Australian Army Minister, Mr. P. C. Spender, warned Australians that they must be alert to the danger "which might leap over the northern horizon tomorrow."

Speaking at a recruiting rally, he said that Australia must reach the maximum military strength as soon as possible. The last three or four months' improvement in Australia's military efficiency was very striking evidence of her seriousness of purpose. A big section of the military forces was now doing full-time duty.

Serious measures had been taken to meet a serious situation, Mr. Spender added. There was still too much sport throughout Australia. "We must cease playing in sunshine while clouds of destruction gather round us."

In a statement yesterday Sir Frederick Stewart, Commonwealth Minister of External Affairs, corrected the impression in some quarters that Australia is not taking part in trade restrictions directed against Japan to the extent that other Dominions are participating. He explained that there have been no trade agreements between Australia and Japan since 1936, but simply trade arrangements, so that no normal notifications is required.

Japanese balances in Australia have been frozen for some time past, and commercial transactions between the two countries have been conducted on the sterling or dollar basis. Freezing of Japanese balances by Britain and the United States has, therefore, Sir Frederick added, prevented further trade between Australia and Japan. No separate specific action by Australia is necessary beyond a routine notification to the banks.—Reuter.

Singapore Excited

Singapore, Aug. 4.

The announcement of the Australian Navy Minister, Mr. Hughes, to the effect that Britain was able, if necessary, to send a fleet into the Pacific has caused great excitement here. The announcement was splashed in all local papers and the general feeling is that now Britain is getting down to real business at last.

It has been appreciated upon all sides that Britain's effectiveness in the past against progressive Japanese encroachments had been considerably hampered by the fact that Britain did not dispose of a strong fleet in the Pacific. It has naturally been generally felt that in the event of a showdown with Japan, America would put her fleet into any struggle in the Pacific but the knowledge that the British Fleet is available is infinitely more reassuring.

Everyone Confident

It is realized that it will require time to send a British fleet to the Far East but everyone is confident that Britain's existing strong forces in the Far East are capable of effective defence in any emergency until the promised fleet arrived.

What a British fleet on hand, it is confidently anticipated that the British attitude on this side of the world, instead of being defensive, would become rapidly offensive.

Chinese Circles Impressed

Chinese circles are frankly impressed by this new demonstration of firmness on the part of Britain. One important Chinese told Reuters: "Without hesitation, Britain imposed sanctions upon Japan because of Indo-China. Now when Japan begins coercion against Thailand, Britain follows up with an announcement that can be interpreted as a direct threat of offensive action against Japan if she goes further."—Reuter.

Acute Tension

London, Aug. 8.

The grave statement made by Mr. R. G. Menzies, the Australian Prime Minister, that Australia stands at the most vital hour of her history and that she has not yet run away from a foe, corresponds with the prevailing impression that the Far Eastern tension has grown more acute.

Japanese press statements continue to be uncompromising and provocative, and the same trend is taken by the official spokesman and the radio. All of them are going to great lengths in an attempt to present a picture of democratic aggression aimed at conquering Thai and encircling Japan.

The "Japan Times," which is directly under Foreign Office influence, has even started a campaign for the independence of the Netherlands East Indies. It complains of British and American interference in Batavia and says that if only the N.E.I. were independent they might cooperate with Japan.

No Doubt

Every report from Bangkok shows that the Thais have no doubt about where the threat to their independence comes from. Bangkok radio today referred to Japanese troop concentrations on Thailand's border and to rumours of a Japanese attack within three days. It declares that a united Thailand would reject any encroachment. "Thailanders will never run away," said the broadcast. "They will defend their country to the last drop of their blood."

An encouraging report on Britain's air power in the Far East has been issued in Singapore. It says that high-speed American fighter planes are flying over the Burma Road to the new air bases in Burma. They are ready to crush any bomber attack Japan might try to make on the Burma Road from their new bases in Indo-China. On Burma's new airfields are also based British bombers which would hinder any Japanese attempt to move westward.

The Chinese Government has also been taking steps to thwart a Japanese attack on the Burma Road. The Chinese High Command has drawn up defence plans and Chinese troops have been satisfactorily disposed of in the province of Yunnan, on the border of Indo-China.

A Saigon report says that some of the British colony there are leaving for Singapore on Monday, although there have been no official instructions to leave.—Reuter.

Mr. Hull Non-Committal

Washington, Aug. 8.

When questioned at today's press conference regarding reports that Britain and the United States had pledged assistance to Thailand in the event of an attack, Mr. Cordell Hull, Secretary of State, said that he had nothing in mind on the subject.

Further asked to confirm or deny whether such a promise had been given, Mr. Hull merely replied that he did not hold any conversation of that kind and knew nothing of such a fact.—Domei.

Standing By

Melbourne, Aug. 9.

The Australian Prime Minister, Mr. Robert Gordon Menzies, stated today that no full meeting of the Federal Cabinet had been called for Monday but he and the other Ministers were "standing by" in case the international situation should deteriorate and make a meeting necessary.

Provision has been made for summoning the Cabinet in this event, it is further officially stated. Developments which are expected in the Pacific during the week-end are believed to be responsible for the measure. Only most important business, it is argued, would cause interruption of Mr. Menzies's tour of Australia.—Reuter.

British Air Force Ready

Melbourne, Aug. 9.

Mr. John McEwen, Air Minister, yesterday said that Empire Air Forces in the Far East, including Australian units stationed in Malaya, were strong enough to deal with any war emergency in that sector.

Mr. McEwen said that there had been progressive strengthening of Empire forces in Malaya. He added that the Government had ordered further large troop carrying air transports, primarily for use by the Royal Australian Air Force, but added they were suitable, if necessary, to transport other troops.—United Press.

Burma Well Prepared

Rangoon, Aug. 9.

Remarkable visual proof of the great development of the defence services was afforded a party of journalists who visited a military area near Rangoon. Impressions of the tour surpassed anything that might have been imagined by those who know Rangoon in peace-time. It is obvious that only a rough idea could be given of the general disposition of troops and armaments all over Burma and latest equipment which is regularly arriving.

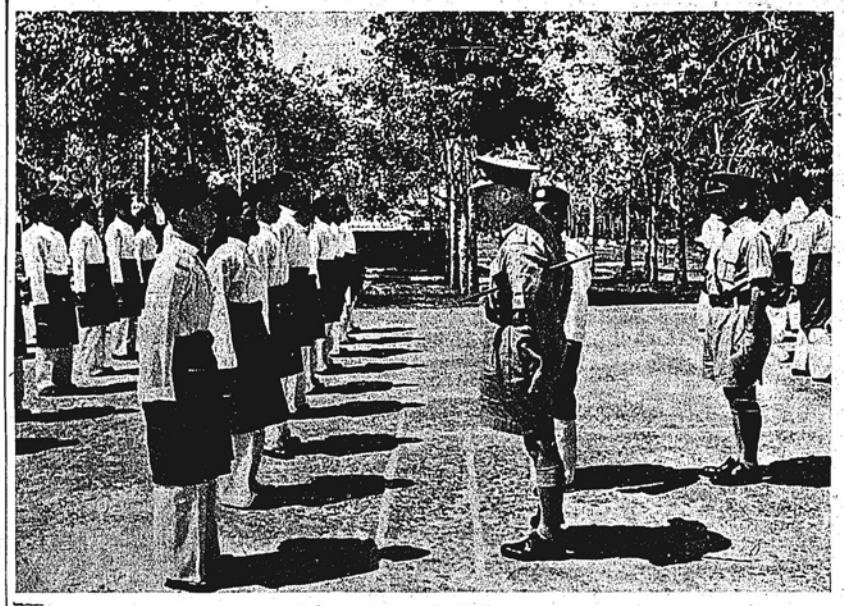
Although Burma's defence preparations have not been much publicized, a military spokesman today gave a confident assurance that Burma's army is only waiting to get on with its business. Progress made for the defence of Burma can well compare with that made in other parts of the Empire in the Far East.—Reuter.

N.Y.K. Liner at Sydney

Sydney, Aug. 9.

With all Japanese signs painted out, the N.Y.K. liner Kasima Maru (9,008 tons) arrived at Sydney today from Yokohama, eight days late. While cruising north of Australia, she was boarded by a party from a Dutch destroyer.

After seeking the latest news, the Japanese Consul-General, Mr. Itsuo Goto, who, together with the Second Secretary of the Japanese Legation, Mr. Fukushima, was among the passengers, stated: "If there is going to be war, I have no business to come here, but I do not think there will be war.—Reuter.



Malayan Troops in Training

Many Malays have volunteered for the defence of their country against any possible aggression, and they have proved to be splendid troops. The picture shows an inspection by their commanding officer of a detachment of Malays on a Friday Mosque Parade.

Threat to Malaya Increased

Singapore, Aug. 7.

MAJOR-GENERAL A. E. Percival, General Officer Commanding Malaya, at a press conference yesterday said that Japanese occupation of French Indo-China increased the military threat to Malaya.

Should Japan decide to occupy Thailand, said Gen. Percival, the threat would obviously be increased. Therefore, he said, it was of the utmost importance to maintain the highest standards of defence efficiency and it was most important that Britain "keep in step" with United States Far Eastern policy, which had a tremendous influence on Japanese policy.

Gen. Percival said that the Philippine Army's incorporation into the United States Far Eastern forces under command of Lieutenant-General Douglas MacArthur was an excellent scheme because "for defence of any country a single command obviously is more efficient."

Gen. Percival has just completed a tour of Malaya. "It was a great education to see the Empire army's keenness and fitness," he said.

Arduous Training

He said that without exception, British, Australian, Indian and Asiatic troops all realized the importance of defending Malaya. Events of the past fortnight had done much to make the troops realize that the ardous Malayan training had a real meaning, Gen. Percival said.

Gen. Percival said that reinforcements would continue to arrive in Malaya as long as the Far Eastern situation developed, although he stressed that Britain definitely had no aggressive designs anywhere in the Far East.

He added that Malaya now was more important than ever before to the Empire. Therefore, he said, no effort would be spared to ensure the most adequate defences which now were sufficient to enable Malaya's self defence.

Keep in Step With U.S.

"However," said Gen. Percival, "it is of utmost importance that Britain and America keep in line and step by step, both politically and otherwise, because American policy undoubtedly has tremendous influence on Japanese policy in the Far East."

Gen. Percival declined to comment on "what's going to happen."

Apart from some disappointment in the Asiatic response to local recruitment, he indicated complete satisfaction with Malayan defences. Equipment, fitness and *moral* of all units were ready to meet any potential invader, he said.—United Press.

Ready for Action

Singapore, Aug. 7.

Sir Shenton Thomas, Governor of Singapore, yesterday in a speech at Penang said that forces in Malaya and Burma had been strongly reinforced and were ready to defend the Empire" against anything that may happen."—United Press.

China to Cooperate

Singapore, Aug. 7.

There is every desire on the part of China to cooperate with the British should hostilities break out in the Far East, declared Mr. H. J. Timperley, adviser to the Central Publicity Board of China and formerly Shanghai correspondent of the "Manchester Guardian" on arrival here today on his way to London after a visit to Chungking.

He added that the importance was realized of taking every opportunity of improving and strengthening contacts with Malaya and India.—Reuter.

British Fleet May Be Near

Singapore, Aug. 7.

Mr. Anthony Eden's and Mr. Sumner Welles's simultaneous "hands-off Thailand" warnings have been received with great satisfaction here. Should the warnings need be backed up by action, it is emphasized once again that Malaya and Burma would be ready for any emergency.

The recent arrival of further reinforcements of British forces in Malaya and Burma is no isolated event. These arrivals are merely the latest outward evidence of the steady reinforcing of British forces in the Far East that has been proceeding in the past year and that can and will be continued relentlessly.

Perhaps even more important than mere quantities of men and materials is the time factor. A large proportion of British troops in the Far East have been in Malaya and Burma for a considerable time and this time has been fully used to acclimatize them to these parts and has given them effective training in jungle warfare.

New to Japanese

The terrain of Burma, Malaya, the Netherlands East Indies, Thailand and south Indo-China is principally tropical jungle and Japanese troops have only just begun to penetrate this type of terrain in south Indo-China. Thus, they have had little opportunity yet to acclimatize or train themselves in local jungle warfare.

It is also emphasized here that the statement on August 3 by the Australian Navy Minister, Mr. W. M. Hughes, that Great Britain was able to send a fleet to the Pacific, is no idle boast. Already Admiral Sir Geoffrey Layton, the Commander-in-Chief of the China Squadron, in a recent broadcast promised that the White Ensign would be seen again in these parts if the occasion arose.

Although there is no confirmation of insistent rumours that a sizeable British naval force is already in the vicinity of Singapore, it is clearly indicated that it would be no distortion of facts to say that a substantial naval force may be "just round the corner."—Reuter.

More Troops Arrive

Singapore, Aug. 5.

Large numbers of British and Indian troops, including Royal Air Force personnel, have arrived here, it was officially announced today.—Reuter.

Thailand Trusts Both Britain, Japan

Singapore, Aug. 7.

Commenting on the Far Eastern crisis, Bangkok radio reiterated that both Britain and Japan were pledged to respect Thailand's integrity and that Thailand trusted both. The announcer added: "Thailand is strong enough to protect herself and has no need for any nation to come to protect her. We are not like Indo-China, which the French admitted was weak."—Reuter.

H.M.S. Warspite in Far East—Japanese Report

Saigon, Aug. 4.

It was unofficially reported that a British naval squadron, including the 35,000-ton battleship, Warspite, has been sighted in the Gulf of Siam. If the report is true, the Warspite is the first capital ship that the British Navy has despatched to the Far East in many years.—Domei.

French Know Nothing of Report

Saigon, Aug. 5.

French authorities today denied all knowledge of the Japanese report that a British naval squadron was sighted in the Gulf of Siam.

A member of the Japanese military mission said that the report was "very likely." The rumour of the sighting of the British squadron, nevertheless, spread rapidly here last night. But no semi-official confirmation could even be obtained.

Meanwhile, many heavy Japanese bombers arrived this morning at Phnompenh.

Travellers from Thailand reported heavy Siamese concentrations of infantry and artillery along the Indo-China frontier and the wildest rumours regarding imminent developments were circulated.

Japanese artillery and light armoured units, which arrived at Phnompenh over the week-end, departed yesterday for an unknown destination.—United Press.

Presence of British Warships Denied

Bangkok, Aug. 6.

High Thai authorities today flatly denied reports of the presence of a British naval squadron, including the battleship Warspite, in the Gulf of Thailand.—United Press.

No Truth in Report

London, Aug. 5.

There is no truth in a rumour that Britain has sent 100,000 troops to the Thailand border, Reuter learns. Dispositions of British forces in Singapore are purely defensive and no move of the magnitude indicated has taken place.—Reuter.

The Report

New York, Aug. 4.

Mr. Relman Morin, Associated Press correspondent, reported from Saigon that Britain, has placed thousands of her finest troops, mainly Australians and picked Indian regiments, along the Malay-Thai frontier in preparation for any eventualities with Japan.

He said that the British troops were fully equipped, not only with tanks and heavy artillery, but with secret weapons designed for jungle warfare.

Mr. Morin is the first newspaperman to cover the former no-man's territory between Thailand and French Indo-China since a Dutch newspaperman was killed in the border warfare last November.

The correspondent reported that British forces were everywhere along the Malay-Thai border, including a new contingent of 150 Royal Air Force auxiliary pilots and crews. Moreover, the British were preparing room for additional thousands of Australian infantrymen, Mr. Morin said.—Domei.

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Japan Completes Occupation

Saigon, Aug. 5.

JAPANESE troops have now occupied all bases granted to the Japanese under the agreement with the Vichy Government for "joint defence" of Indo-China, announced the Japanese headquarters here yesterday. The disembarkation of troops has been completed.

While Japanese troops began disembarking at Nhatrang on July 28, the first mass incursion in the Saigon area began on July 30, although General Sumita arrived from the north on July 26, with his staff and a few trucks.

The Saigon harbour is chock-a-block with Japanese transports, freighters and warships. About 25 transports already have arrived and are disgorging troops and material, and 30 more are reported at present to be off Cap St. Jacques.

While all material appears to be in good condition, the troops are young and give the impression of not being seasoned.

Buildings Requisitioned

Wholesale requisitioning of buildings is proceeding. All occupiable areas in Saigon's half-mile of dock godowns, the Chamber of Commerce, the Hotel Majestic, the East Asiatic Co., A. B. David & Co., several buildings along the Bund, and large private residences have been taken over. The buildings of British concerns, however, have not been affected.

The Messageries Maritime liner, Marechal Joffre, is at a dock-side, accommodating Europeans evicted from the Majestic Hotel and elsewhere.

Outwardly, Saigon remains quiet and the behaviour of Japanese soldiery is exemplary.

French troops and material are moving northwards, and all available rolling stock is being concentrated in the south, causing delays in the normal train service.

Air Services Cancelled

The services of Air France have been cancelled, due to lack of landing fields. Japanese fighters and trucks are at Tourane aerodrome.

The most of the Japanese air strength is believed to be concentrated for the time being at Nhatrang, and is estimated to vary between 250 planes and two squadrons of fighters and one squadron of bombers.

Japanese truck convoys are moving in a steady stream to Cambodia and two convoys of anti-aircraft and field guns have been seen moving northward.—Reuter.

Former German Consul Arrives

Hanoi, Aug. 5.

Herr Ernest Neumann arrived here yesterday by plane from Tokyo and was due to continue by plane to Saigon today.—United Press.

Port Facilities Taxed

Saigon, Aug. 7.

A superficial lull continues to reign in the political atmosphere of southern Indo-China. Japanese disembarkations tax the port facilities to their utmost and an unceasing stream of truck convoys roll westward.

Almost the whole vast concentration of vehicles visible yesterday at the Saigon docks has disappeared today, as troopships again took momentary precedence in discharging new thousands of troops.

The passage of troops and material is being expedited in the speediest manner, with only a minimum number of detachments remaining in Saigon. Service corps are rapidly installing military telephone lines between all important occupation centres and offices.

It is understood the Mekong Ferry, on the road to Pnom Penh, is acting as a serious bottleneck since it limits the passage of trucks to only 80 daily.

The Japanese are commandeering large numbers of barges and junks, and a considerable quantity of material is being shipped up the Mekong.

The spasmodic attacks of the Japanese press against Thailand are causing speculation here of the ultimate intentions of Japanese troops in Cambodia.—Reuter.

All Bases Occupied

Vichy, Aug. 7.

Despatches to the Paris press from Shanghai yesterday quoted the French General staff in Indo-China as stating that disembarkation of Japanese troops in Indo-China had ended.

Japanese troops were occupying all bases, according to the Franco-Japanese joint defence agreement, the despatches said, adding that the move was carried out "with perfect calm."—United Press.

Two-Thirds of Troops Arrived

Saigon, Aug. 9.

It is understood that two-thirds of the agreed Japanese occupation forces have already arrived, the remainder being due within a week. The Japanese are arranging to establish a permanent and efficient landing base at Saigon.—Reuter.

British, Americans Evacuate

Saigon, Aug. 9.

Fifty-five American citizens left here yesterday for Manila aboard the French liner Marechal Joffre. Fifteen Britons are expected to proceed to Singapore on Monday.

After Monday only 15 Britons, including the Consul-General and his staff, are expected to remain here.—Reuter.

Malayan Garrison Is Reinforced

Singapore, Aug. 6.

The British contingent of troops just arrived here to reinforce the Malaya garrison includes a number of Royal Navy ratings and Royal Marines. Indian troops joined the convoy at Bombay. The voyage from a northwestern port of the United Kingdom was uneventful. The Maharajah of Patiala also arrived from India to visit Indian troops stationed in Malaya.

As the ships docked the men were welcomed by high officials and officers of the Navy, Army, R.A.F. and Indian Army. The R.A.F. men though mostly young, are all experienced and have seen a lot of flying. Indian troops and gunners from the Punjab were welcomed by the Indian band.

The Maharajah was greeted aboard a troop ship by Air Chief Marshal Sir Robert Brooke-Popham, Commander-in-Chief in the Far East; Lieut.-Gen. A. E. Percival, General Officer Commanding in Malaya, and other senior officers.

The Maharajah of Pataila, who is the leader of the Sikhs, and a prominent element among the Indian Troops in Malaya, follows the precedent of another noted Indian ruler, the Nawab of Bhopal, whose visit to the western part of Eritrea earlier in the war was a distinguishing feature to the Indian troops in the campaign. Maharajah Pataila's visit however is expected to be much briefer.—Reuter.

Italian Guns in Singapore

London, Aug. 6.

The Exchange Telegraph news agency, in a despatch from Singapore said it had been officially announced that a considerable quantity of captured Italian Breda guns and ammunition had arrived in Malaya to reinforce defences. Ordnance experts said that modifications of the guns would make them effective against tanks and aircraft.—United Press.

Singapore Preparing

Singapore, Aug. 5.

Singapore is getting ready for any emergency. All branches of the passive defence services are to undergo intensive training culminating in big day and night exercises covering the whole island.

The A.R.P., auxiliary fire brigade and medical auxiliary services are to take part. This follows black-out and evacuation tests already successfully carried out. Arrangements for the reception of civilian casualties have now been completed.—Reuter.

$1,000,000 Assembly Plant

Singapore, Aug. 4.

The new $1,000,000 assembly plant in Singapore of the Ford Company of Malaya is turning out in increasing numbers trucks intended for military purposes.

The Commander-in-Chief of the Far East, Sir Robert Brooke-Popham, during a recent inspection of the assembly plant expressed his admiration of the smooth working of the plant. He was told that the normal output of the plant today is 40 vehicles, but there are facilities whereby this figures can be "stepped up to a high level" in an emergency.

The whole process takes place in a vast network of machinery representing one of the most modern assembly plants in the Far East.—Reuter.

Women, Children Evacuating Saigon

Saigon, Aug. 8.

Although the British Consulate has not given orders, a proportion of the small British colony here is evacuating to Singapore on Monday. The party consists chiefly of women and children.

The movement of Japanese troops through Saigon is abating somewhat, giving rise to the supposition they are making more use of water-borne traffic through the mouths of the Mekong River.

All official French buildings have suddenly started sporting enormous white crosses on the roofs. It is understood this is due to an order from the Vichy Government, in order to ensure the safety of French property in the event of armed conflict in the Far East. This indicates non-belligerency on the part of the French.—Reuter.

Eden Warns Against Move at Thailand

London, Aug. 6.

Mr. Anthony Eden, Foreign Secretary, without mentioning Japan by name, today warned against any move aimed at Thailand.

"Any action threatening the independence or integrity of Thailand will be a matter of immediate concern to this country and more particularly as threatening the security of Singapore," he said in the House of Commons.—United Press.

Singapore Press Urges Stronger Attitude

Singapore, Aug. 9.

From opposite press quarters yesterday came a demand for a stronger Anglo-American attitude towards Japan and on the other hand Japan was urged to be prudent. The "Straits Times" demanding that the United States and Britain should announce forthwith that they are willing immediately to go to the aid of Thailand, said, "War in the Pacific will be avoided from the moment Britain and America make it abundantly clear to Japan that they are willing to wage war against her."

The Japanese-owned "Singapore Herald," which is frequently the mouthpiece of Japanese authorities, said it "would be madness" for the Japanese to attempt to move southward either by way of Burma or Thailand. "Burma alone is more than enough to cope with any threat from the present Japanese strength in Indo-China. Thailand herself could hold up an invasion by that strength and the forces of Malaya, particularly the air forces, are adequate to deal with any Japanese march southward even supposing that Thailand and Burma had nothing to say about it," the daily stated.

"In these conditions it would be madness to attempt such a move. We don't believe the Japanese have reached such a height of folly. Neither do we believe there will be any Anglo-American military action as long as the Japanese confine themselves to Chinese and Indo-Chinese territory, which we fully expect them to do."—Reuter.

More Firms Allowed to Export to Indo-China

Tokyo, Aug. 7.

Seven more Japanese export traders have been added to the list of those under the control of the South Seas Trade Association, an organ controlling export to French Indo-China.

The new firms allowed to export their goods to Indo-China are the Mitsui Bussan Kaisha (Tokyo), Miyata Factory (Kobe), Nakayama Shoten (Osaka), Yokoyama Shoten (Osaka)—all of which will export bicycles. Printing paper will be exported by the Takata Shokai (Tokyo) and raw silk (excluding twisted raw silk) by the Toyo Bussan Kaisha (Kobe).

At present there are 126 firms allowed by the Association to export goods to Indo-China.—Domei.

N.E.I. Still Welcomes Japanese Products

Batavia, Aug. 8.

In the People's Council yesterday the director of the Economic Department said with regard to Netherlands East Indies relations with Japan that the country would always welcome cheap Japanese products so far as these imports would not damage the Netherlands East Indies export position, but on the other hand the Government never lost sight of the fact that the Netherlands East Indies trade balance with Japan was very unfavourable and that the obtaining of certain most important needs from one single country would give that country a powerful position which might be dangerous for the buyer.

Dr. Van Mook reaffirmed that in future new efforts would be made to revive trade with China.—Reuter.

Japanese Commission Tours Indo-China

Saigon, Aug. 10.

Eleven Japanese members of the Thai-Indo-China border commission left Bangkok by motor-car for Battambang and Pnom-Penh, at which places the party will spend one night each, before arriving at Saigon on August 11, according to a semi-official Japanese report.

The first meeting of the border commission is scheduled for August 14.

A large detachment of Japanese horse-drawn artillery returned to Saigon yesterday morning and re-embarked. Presumably they were either seeking to pass by the congested Mekong ferry or the horses were unable to bear the prevailing damp heat.

It is reliably reported that the Japanese are building large-scale fortifications at Cap St. Jacques.—Reuter.

N.E.I. Defence Guard Funds

Batavia, Aug. 8.

FUNDS required for equipment, uniforms, and transportation of seven thousand town and country guards in the Netherlands East Indies have been raised almost wholly on a subscription basis.

The chairman of the Central Commission of Town and Country Guards proudly announced that only 500,000 more guilders were needed to complete motorization and mechanization of militia units calculated to protect the Indies from Fifth columnists and parachute troops.

Twenty-six detachments all over the Dutch archipelago have been established, and fourteen more will shortly be formed. These units operate in towns. Forty-five independent sections have been organized for service in the country.

Necessarily all reserve troops and volunteers must be motorized to a high degree. To combat the enemy, air and infantry companies must be able to reach a threatened area in jigtime.

Entirely Independent Unit

Trucks, armoured cars, and commander cars have been supplied, as well as ambulance sections, munition carriers, and petrol trailers. Thereby the town and country guards would be able to carry on as an entirely independent unit of the army.

Guard detachments for a fairly large city require over 200 vehicles, as well as 300 motorcycles. A third of the rolling units must be armoured sufficiently to penetrate battle areas.

Funds already raised amount to well over 2,300,000 guilders. Depositors of the Post Saving Bank offered all interest for the month of January on their deposits to Town Guard subscription. These amounts are to be used for the purchase of ambulances.

Finances of military organizations usually come from direct taxes, but grants to Town and Country Guard units have come from voluntary contributions.

Combination of New and Old

A combination of old and new army transport is one of the features of the N.E.I. army which would prove embarrassing to any invader.

The islands of Sumbawa and Sumba, south of Bali, produce thousands of tiny horses about the size of Shetland ponies. Yet these little beasts carry with ease over long distances and arduous trails burdens up to several hundred pounds.

Because the pack animals are so small, they can be loaded into a two ton truck and whisked away to new salients in record time. Arriving at a danger point the horses are unloaded and heavy machine guns and 88 millimeter Stockes-Brandt mortars are strapped on their backs.

A whole heavy weapons company of an infantry regiment can be transported over the most rugged of mountain terrain, beast and man both in their native element. Sumbawa and Sumba are mountainous, and N.E.I. soldiers assigned to heavy weapons companies are familiar with mountain warfare.

N.E.I. Companies are Unique

Small wire carts, easily stowed in the heavy weapon company's mechanical equipment, may follow the advance of the guns. The carts hold about three hundred pounds of material.

Though the United States Army maintains cavalry regiments that have adapted the same principle, the motorized-horse companies in the N.E.I. are unique because of the number of men, horses, and equipment that can be crowded into a small number of swift trucks.

Much of Java and Sumatra is mountainous, and manœuvres have proved that the innovation of miniature pack animals was a wise move.—United Press.

Netherlanders Told to Leave Occupied China

Batavia, Aug. 9.

Netherlands subjects residing in the occupied part of China have been instructed to prepare their departure as far as there is no urgent reason for their staying, it is learned.—Reuter.

Thailand Recognizes Manchoukuo

Bangkok, Aug. 6.

The Government yesterday announced it had recognized Manchoukuo.

Simultaneously, the Finance Minister disclosed that three Thai banks were extending a 10,000,000 baht credit to the Yokohama Specie Bank in order to facilitate Japanese-Thai trade.

Meanwhile, Major-General Luang Bipul Songgram, Premier and concurrently Foreign Minister, conferred with Sir Josiah Crosby, British Minister to Thailand. Nature of their conversation was not disclosed.—United Press.

N.E.I. Continues Social Measures

Batavia, Aug. 7.

Discussions in the Peoples' Council will continue during the whole of the month of August, and will be directed upon the main topics of social, economic and political life, ranging from the relation among all parts of the Netherlands Empire, to the educational needs of the population along the coast of New Guinea.

Successively, the budgets of the Department of Traffic and Irrigation, Justice, War, Navy, Education, Finance and Economic Affairs will pass under review, giving opportunity for native, Chinese and European members to discuss every angle of the general and local possibilities regarding subjects such as: defence propaganda, industrial development, training of skilled labour, the fertilizing of soil, freedom of speech, development of higher education, building problems, town planning, promotion of hygenic conditions in native villages, etc., all of which prove how the Netherlands East Indies, even under the tension in the Far East, grimly continues her task of building up a better social structure, which later in this disturbed world will make these Islands a solid base to build up an ideal, free and prosperous community in these regions.

Case of Detained French Ship

The cargo of the French steamer Dupleix, as far as it consists of contraband, has been unloaded.

This vessel, it will be recalled, came from Indo-China and was intercepted by a Dutch warship and conducted to Tandjungprick for further inspection of her cargo.

The Netherlands East Indies prize court will, in due course, decide whether the ship and contraband cargo will be confiscated.

The crew is provisionally at liberty until such measures should prove necessary.—Reuter.

Japan, N.E.I. Trade Talks Said Progressing

Batavia, Aug. 7.

Talks for the resumption of Japan-Netherlands East Indies trade following the N.E.I.'s recent action in freezing Japanese assets were now progressing smoothly between Mr. Yoshitoshi Imagawa, Batavia manager of the Yokohama Specie Bank, and Mr. Buttingha Wichers, President of the Java Bank, and concurrently head of the Foreign Exchange Control Bureau.

Informed sources admitted there were many difficulties lying ahead, but they predicted that everything will be settled satisfactorily in the near future, because the N.E.I. Government on July 28 definitely stated the Netherlands East Indies had no intention of halting trade with Japan, nor of interfering with the business of Japanese residents in the country as a result of the freezing action.

Meanwhile, sources close to the Netherlands East Indies Government revealed that the N.E.I. will soon set up an official or semi-official agency will have complete control over all import and export trade in the Indies.—Domei.

Thai, Indo-China Border Demarcation Delayed

Saigon, Aug. 7.

Actual demarcation of the French Indo-China-Thailand border in accordance with the Indo-China-Thai peace treaty negotiated through Japanese mediation, will be delayed until September because of the rainy season which already has set in, well-informed sources here declared today.

Meanwhile, the withdrawal of Indo-China troops from the ceded areas, has been under way since July 22. Withdrawals have been completed in the Battambang, Siemreap and East Mekong river areas.—Domei.

Dutch Hold Vichy Ship

Batavia, Aug. 6.

The Netherlands East Indies Navy today announced that the cargo found in the holds of the intercepted French vessel, Dupleix, was taken over as contraband. Coal was found among the cargo and was classified as contraband, the Navy said.

The N.E.I. prize court will decide the fate of the French ship as well as the rest of the cargo. The crew of the Vichy vessel, however, was free to move ashore.—United Press.

Planes Practice Bombing Over Saigon

Saigon, Aug. 11.

Japanese bombers yesterday and today carried out bombing exercises over the Saigon airfield.

The number of Japanese transports reaching here was declining, and it was believed that the bulk of the Japanese forces had already been landed.—United Press.

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NEWS FROM JAPAN

General Mobilization Law

Tokyo, Aug. 5.

THE quietude of the last few days is given an ominous tone by continued press hostility against the democracies and invocation of the National General Mobilization Law in hitherto untouched fields of national endeavour.

In this respect it is reported that a move has been launched by Count Yoriyasu Arima, director-general of the central headquarters of the Society for Assistance to the Throne in Government, for reduction and revision of the National General Mobilization Inquiry Commission in order to facilitate the urgent application of additional phases of the Mobilization Law.

The commission's approval is required of each separate application of the law according to a Government concession to the Diet on passage of the law during the 1938 session of the Diet.

Count Arima proposes to reduce the unwieldy membership from 50 to 20 and to eliminate members of the defunct political parties.

His proposals have been occasioned by the commission's delay in the approval of four mobilization measures which was scheduled within two days but took twice as long.

Although the British Ambassador's and Australian Minister's absence from Tokyo and the United States Ambassador's cheerful return on Monday possibly indicate that nothing serious is forthcoming immediately, it is obvious that Japan is stalling for time to complete domestic preparations.

Japan Warned for the Worst

While the consistently conservative "Asahi Shimbun" warned the nation to be prepared for the worst, the "Yomiuri Shimbun" yesterday noted the United States Navy Secretary's assertion that Japan's oil stocks were sufficient for a year of warfare, and retorted "So what?" Chungking, the paper charged, has access to the vast but unpublicized petrol resources from Burma.

The "Kokumin," dwelling lengthily on Japan's emergency mobilization measures, alleges encirclement of Japan by Britain, America, Chungking and the N.E.I. The newspaper asserts that Japanese occupation of southern Indo-China is most significant in that it means breaking through hostile encirclement. The daily adds that the outcome of the Soviet-German war being still unpredictable Japan is unavoidably facing problems regardless of which side wins.

Prejudices abroad have prevented a fair understanding on the Far Eastern situation, declares the "Japan Times," organ of the Foreign office, affirming that the policy of Japan is one of "hakko ichi"—which translated literally means "a harmonious world under one heaven."

Complaint Against U.S. Policy

The newspaper complains of America's pursuit of a policy consistently imperialistic and says that no volume of moral impeachments can offset evidence of America's spreading domination. Adding that Washington has extended its influence far from the new world into the territory of other peoples, the daily urges the American people to re-examine a policy which is designed at attempted punishment of all foreign countries which do not line up with American power politics.

Japan has worked consistently to keep peace in the Far East and has a right to live in peace and co-operation with territories around it, the paper concludes.—Reuter.

O.S.K. Decide to Close Branch Offices

Osaka, Aug. 7.

The Osaka Shosen Kaisha today announced its decision to close its branch offices in Singapore, Calcutta, Bombay, New York, Manila, Sydney, Mombasa, Capetown and Los Angeles in view of the practical severance of economic relations with Britain and the United States following the freezing of Japanese assets.

An order for the closure of the Singapore, Bombay and New York offices already had been issued, it was disclosed, while branches at other cities will be closed by the end of August. It was expected that other shipping lines will follow suit.—Domei.

Hull, Eden Criticized

Tokyo, Aug. 7.

The recent statements by Mr. Cordell Hull, United States Secretary of State, and Mr. Anthony Eden, the British Foreign Secretary, are criticised by the Information Board, in a statement, as based on British and American conjecture and unwarrantable in view of Japan's peaceful intentions.

The Board also objects to British and American press reports alleging Japanese threats against other areas in East Asia, saying that these tend to "worsen" Japanese sentiment towards the United States and Britain.

Mention is also made of British and American press reports from the Far East that the British may occupy strategic bases in Thailand, with whom Japan wishes to "maintain friendly relations."—Reuter.

U.S.-Japan Breach Becoming Wider

Tokyo, Aug. 4.

In the most pessimistic editorial to date, the conservatives and influential "Asahi" said that in view of the United States' increasingly hostile attitude toward Japan, there is no room left for the two countries to attempt to readjust their relations. "It is now time for Japan to complete her preparations in anticipation of the worst to come," the paper asserted.

Pointing out that Britain, the United States and the Chungking regime have been cooperating to complete the encircling of Japan since early this year, the "Asahi" declared, "Because of this it is only natural for Japan to have concluded a joint defence pact with French Indo-China." Britain and America claim that they froze Japanese assets because of the joint Japanese-French defence pact of Indo-China. However, "that was only an excuse to realize their aim of isolating Japan and of extending further aid to Chungking, which continues to play in their hands without thinking of the future welfare of the Asiatic people as a whole," the "Asahi" declared.

ABCD Bloc

"Britain and the United States now seem to be making considerable progress in forming an ABCD bloc (American, British, Chungking and Dutch East Indies)", the "Asahi" noted, "Moreover, Britain and the United States now appear to be striving to include the Soviet Union in their camp. The United States is promising to extend every aid to the Soviet Union against Germany.

There seems to be some truth in reports that the United States might receive some military base in Siberia, the "Asahi" said, adding, "Japan concluded a neutrality pact with the Soviet Union, therefore, she believes in the Soviet Union, but if the Soviet Union should accede to the Anglo-American demand, the course which Japan will take in the future is clearly outlined in the Tripartite Pact."

Concluding, the "Asahi" said, "The more pressure Britain and the United States attempt to bring about on Japan, the more determined Japan will become in realizing her ideals in establishing a prosperity sphere in East Asia."—Domei.

India Bans Manganese Exports to Japan

Osaka, Aug. 6.

The British Indian Government announced a ban on exports of manganese ore to Japan, which went into effect on August 1, according to a report received yesterday by the Nippon Yusen Kaisha. The ban came in the wake of the recent ban on pig iron exports to Japan.—Domei.

Japanese Sailings to America Suspended

Tokyo, Aug. 4.

All Japanese shipping companies today announced the suspension of service to the United States indefinitely.

The suspension of sailings to America included the Nitta Maru, which was to have left for the United States on August 7, and virtually isolated American and other foreign residents in Japan since at present it is practically impossible to obtain bookings for Shanghai.

It was understood that sailings to south America also would be suspended pending the clarification of the attitude of South American Republics to Japan.—United Press.

Tanker Leaves Frisco Empty

San Francisco, Aug. 4.

The Japanese tanker Ogura Maru left port today without taking on its load of oil.

The vessel is the second Japanese tanker to leave in two days with its tanks empty. It is believed that both ships are returning to Japan.—Havas.

Only Essential Americans Left

Tokyo, Aug. 6.

United States officials here today told the United Press that at present there were no Americans in the Japanese Empire except those engaged in important work which meant that all non-essential Americans had taken advantage of the three earlier State Department advices to evacuate.

Those who are here now were encouraged to remain and manage interests which were considered vital. Therefore the prospective evacuees are hopeful that the United States Government would arrange new evacuation facilities on their behalf.

It was believed that if another evacuation-ship called at Japan, the United States Embassy would previously circularize remaining Americans that it would be their last chance to leave Japan.

More than 100 Americans who were to sail for the United States this week were prevented from doing so by the sudden cancellation of service to the United States by Japanese vessels last week.

These Americans, most of whom planned to return to the United States permanently, were facing many difficulties at present since they had sold their houses, furniture, automobiles and reserve food stocks. Most of them were forced to seek refuge from fellow Americans.

Numerous Americans have appealed to the American Embassy for Government assistance for providing the means to return to the United States, which has become impossible since the suspension of all Japanese sailings to the United States and avoidance of Japanese ports by American liners.

Some Americans, it was understood, urged the Embassy officials to arrange that the President Coolidge call at Japanese ports after leaving Shanghai about August 20, enabling the departure of those desiring to go.

These number over 100, although more probably would depart if assured of travelling facilities.—United Press.

U.S. Envoy and Staff May Be Exempt

Tokyo, Aug. 5.

Mr. Koh Ishii, Deputy Spokesman of the Information Board, today told foreign correspondents during the press conference that reciprocal arrangements are expected to be made by which the American Ambassador, Mr. Joseph C. Grew, and the staff of the American Embassy may be exempted from the freezing order as already has been arranged with Great Britain and Australia.

The spokesman revealed that the Tatsuta Maru had been released. Her cargo, however, had been detained, and the disposal of the cargo was still pending.

Mr. Ishii revealed that the Japanese Ambassador to U.S.A., Adm. Kichisaburo Nomura was conducting negotiations with the United States authorities to facilitate trade between the two countries. He asserted that he believed that both the United States and Japan did not desire to stop trade relations.

Asked to comment on the Soviet-United States trade negotiations, and also the visit made by Mr. Harry Hopkins to Moscow, Mr. Ishii retorted "Japan does not want to interfere with the policy of the United States." He added that if it concerns the Far East "then we must consider."—Domei.

U.S.-Japan Accord Possible

Tokyo, Aug. 4.

DESPITE the strained Japanese-American relations arising from the retaliatory economic blows of the past week, there were persistent unconfirmed rumours in Tokyo today concerning the possibility of Japanese-American discussions, aimed, as far as Japan is concerned, toward reaching a *modus vivendi* in East Asia whereby Japan hopes to obtain American recognition of Japan's predominant position in East Asia in return for a more moderate policy toward the democracies and discontinuance of further aggression.

Thus far there is no reason to believe that any effort toward a Japanese-American rapprochement has gone beyond the exploratory stages. It was significant, however, that the Japanese have not taken the occasion of the American freezing of Japan's assets as an opportunity for worsening relations but instead, thus far, have adopted a mild and conciliatory policy. This included the public announcement by Mr. Masatsune Ogura, Finance Minister, that Japan was willing to relax freezing restrictions if the United States showed similar willingness.

Difficult Relations

It is generally recognized that Japanese-American relations at present are probably the worst in history, but it was emphasized that the present situation may comfort Japan with a cross-roads where she must choose without another opportunity a possible reversal of her final and future policy, or turn definitely to the Axis.

It was pointed out that the present Japanese Government is predominantly a combination of retired naval leaders with big business connections, and big business leaders whose predominant interests dictate trade with countries with which Japan is able to trade instead of political connections with countries from which Japan is separated and from whom they could expect no assistance in the event of a national emergency.

Although some vernacular reaction to the American freezing has been belligerent, it to the most part has been moderate and, it should be remembered, primarily intended for domestic consumption.

An analysis of reaction thus far shows that it has been predominantly conciliatory, suggesting mutual relaxation of freezing regulations, while at the same time naturally reassuring the Japanese people that the Government is prepared to meet the consequences of severance of American trade.

Article Censored

The "Hochi Shimbun" editorial yesterday, which apparently assailed the United States, was significantly heavily censored—leaving the main point that Japan's diplomacy "is directed at the United States, Great Britain and Russia for settlement of the China incident."

The "Hochi Shimbun" said that Japan was determined peacefully to extend its southward influence to counteract any Anglo-American encirclement and to meet any Russian threats, but where the paper apparently made belligerent threats against interference the censor had mutilated the type.

The hurried return to Japan from Washington of Mr. Kaname Wakasubi, advisor to Admiral Kichisaburo Nomura, was generally associated here with a possible Nomura formula for rapprochement.

Possibilities

Authorized quarters point out that if Japan and the United States undertake serious exploration of the possibilities of a rapprochement, the first evidence will be subtle because both nations will be anxious to maintain the best possible bargaining positions. It might be expected, therefore, that both nations will continue to publicly emphasize that their policies have not been changed.

In this connection, a sharp distinction is drawn between policy and diplomacy. The former, in Japan's case, means peace and co-operation in East Asia plus preventing the spread of the war. This basically has no connection with the Triparite Pact which may be merely temporary diplomacy.

An "Asahi Shimbun" interview with Maj.-General Raishiro Sumita, head of the Japanese mission to Indo-China, in which he declared that Japan's construction of the New Order of East Asia has been "completed" with the Indo-China joint defence agreement significantly coincided with assertions by some of the vernacular press that the Indo-China measures "safely secured Japan's back door" implying that no further aggression southward is contemplated.

Agreement with N.E.I.

The "Kokumin Shimbun" simultaneously optimistically predicted that there was a possibility of a new agreement with the N.E.I. whereby Japan would obtain oil peacefully.

British and American diplomatic officials thus far have been cautious in attaching any hopes to an early rapprochement with Japan, pointing out that the Axis adopts the usual tactics of declaring no further aggression is contemplated after each important move. There is good reason to believe, however, that the economic pressure to which Japan at present is being subjected may carry heavy weight with the present Government leaders.

From this viewpoint, Mr. Ogura's recent article in the "Nichi Nichi Shimbun" informed Washington that Japan was not unwilling to discuss rapprochement providing the United States was willing to recognize what Japan has spent in men and money in an effort to establish the New Order of East Asia, and pointing out that the nation must be shown some return for this.

Since the outbreak of the Russo-German war, German influence in Japan has noticeably weakened as Japan gradually shifted to a more independent policy. Obviously this caused concern to Maj.-General Eugen Ott, German Ambassador.

In this connection, the sudden German recognition of the Nanking regime was significant because it is now felt the move was meant to appease Japan in view of the official admission that Japan expected Germany to attack the British Isles instead of Soviet Russia. This forced Japan to drop her economic talks with the N.E.I. and paved the way for the current Anglo-American economic pressure.

The "Hochi Shimbun's" columnist, Mr. Teiichi Muto, asserted, however, that Admiral Nomura's efforts to improve Japanese-American relations had produced the opposite results such as "America concluding Japan can by no means oppose America."

Total Blockade

He said that continuation of these efforts under the present situation when the United States was near to effecting a total economic blockade of Japan "might cause misunderstanding that we are fondly courting American favour." He said that the United States was hesitating to challenge Japan with armed force, but added that this did not account for Admiral Nomura's diplomatic success but merely testified to the unpreparedness of the American Navy.

The "Yomiuri Shimbun" stressed the necessity of keenly watching Russo-American cooperation in the Far Eastern area since this might possibly lead to conclusion of a military agreement toward encircling Japan.

It asserted that the American licensing of considerable oil exports to Russia meant that Washington had decided to transport via the Pacific, demonstrating that the United States no longer considers Japan's feelings relative to the Tripartite Pact.

The "Yomiuri" said that the United States in return for supplies to Russia was seeking bases in Kamchatka in order to contact Alaska for transportation of armed forces via the Aleutians.—United Press.

Co-operation With Thailand

Tokyo, Aug. 4.

THE Japanese press hailed yesterday increasing cooperation between Thailand and Japan, as represented by the new 15,000,000 Y. trade agreement between the two nations and Thailand's recognition of Manchoukuo.

The "Times and Advertiser" said that Japan and Thailand have now "built a machine which should overcome all barriers in economic cooperation" which Great Britain, the United States and the Chinese previously had erected.

The "Times" said that because the Anglo-American freezing had made impossible Japan's procurement of the Thailand baht through exchange of dollars and sterling, "Japan and Thailand must resort to other means of promoting co-prosperity trade."

Negotiations

It said that the latest negotiations with Bangkok had resulted in "adoption of certain features of the commercial treaty between Japan and Indo-China.

The newspaper said that Thailand naturally was interested in arresting the decline in trade with Japan, a decline which started in 1936 when Chinese and other foreign traders in Thailand began squeezing out Japanese traders.

It was considered possibly significant that the "Times" drew a parellel between the growing collaboration of Thailand with the co-prosperity sphere and the precedent set by French Indo-China.

"Suave Words"

The paper assailed the "suave words" of Mr. Sumner Welles, Acting American Secretary of State for claiming that raw materials in the Pacific were available to all nations on an equitable basis. The newspaper said that actually, especially as far as Malaya was concerned, the Japanese had been invited to ask for export licences "but by prearrangement all available stocks have always been destined for elsewhere, mainly the United States."

It claimed that Malaya had not issued Japan a rubber export licence since June 23, and said that the United States was creating the same situation in South America, and therefore Japan must rush construction of the western Pacific self-sufficiency sphere.

"Bonds of Amity"

The "Nichi Nichi Shimbun" said that Japan's "bonds of amity with Thailand have been greatly strengthened" as a result of the occupation of Indo-China without force, thereby "saving Thailand from being dragged into the Anglo-American camp."

The newspaper also stated that the Netherlands East Indies needs Japanese goods to survive because she has been cut off from Europe and the United States has insufficient ships to supply the N.E.I.'s "teeming millions."

The "Nichi Nichi," featuring an article entitled "Along Thailand's Northern Frontier," claimed that there were bright prospects for Japanese trade among the Thai people "who feel they are not different from the Japanese."—United Press.

Japanese to Call Up Reservists

Tokyo, Aug. 4.

Due to the super-crisis confronting Japan, the Navy Ministry, beginning today will permit retired naval officers and non-commissioned officers to volunteer for reenlistment.—United Press.

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U.S. "Interference" Assailed

Tokyo, Aug. 6.

IN the past the United States continued to evade war and she will continue to do so in the future, the "Miyako Shimbun" predicted today in a semi-editorial comment.

Pointing out that the United States, despite feverish war preparations was still unprepared for war, the "Miyako" declared "Under the present circumstances, Washington will maintain its policy of watchful waiting."

The paper said that President Roosevelt's entire policy had been pointed toward playing for time to bring to top-notch efficiency, the United States defence programme, and stressed that the outbreak of the Soviet-German hostilities, which proved a boon in that respect, also served to draw the United States a step back from the brink of war.

President Roosevelt in the past had repeatedly affirmed that he would fight the Axis, the "Miyako" said, but "as a matter of fact it is a wild flight of fancy to think that American military might can possibly dislodge the German war machine which is firmly entrenched in Europe."

Direct Attack Not Expected

The journal asserted that any declaration of war by the United States would not mean the launching of a direct attack on the Axis but merely a concrete affirmation of the policy of supporting Britain's resistance.

"President Roosevelt has realized that subjugation of Germany lies outside America's present state of armed might. The only step left for the United States is progressive warfare with economic weapons," the "Miyako" declared, adding that the United States had banked on Germany to exhaust herself economically, but Germany instead of weakening made economic self-sufficiency more complete by successive victories.

New Lease of Life

The "Miyako" asserted that the new hostilities on the Soviet-German front had given the United States a new lease on life. "It gave Washington two months and more in extra time, and made the danger and necessity of direct participation in the war a little more distant than it was."

At the same time, the paper continued, it was a method of "killing two birds with one stone" as the United States, though desiring the continued existence of the Soviet Union to give backbone to her opposition against Germany on the European continent, was still afraid of seeing Europe under the domination of the Comintern.

Concluding the "Miyako" minimized the extent of United States aid to Moscow saying, "America will not necessarily be sorry to see the Soviet Union defeated. The interest of the moment for the United States is the time it takes to knock over the Red Army."

America's Own Making

Trade and shipping between Japan and the United States have been seriously impaired as the result of the freezing of Japanese assets in the United States, the "Japan Times and Advertiser" editorially declared. "However, it must be remembered that tension in the Far East is of the United States' own making," said the paper.

The "Times" said that the United States had depended a great deal in the past on Japanese vessels to carry its exports and now was forced to use United States vessels at a time where there was a dearth of ocean bottoms everywhere.

"Moreover," the paper said, "American businessmen with interests in Japanese trade have been badly shaken by the presidential order. The great silk industry in America also has been disrupted....and some 175,000 men and women have been thrown out of work."

Concluding the "Times" said, "America then is beginning to learn of the high cost of her foreign policy together with the fears and alarms that must come with the dangerous belief that America reserves the right to participate in affairs of all nations and all regions."

Alleged U.S. Meddling

If the United States recognized French sovereignty over Indo-China, she was absolutely unqualified to meddle with Vichy's conclusion of a joint defence pact with Japan, the "Nichi-Nichi" declared in an editorial this morning commenting on Mr. Sumner Welles' criticism of the French Government over its recent action.

The joint defence pact was concluded because Vichy considered it the best way to safeguard Indo-China's territorial integrity, the editorial declared pointing out that "it is entirely a French problem in which United States interference is unwarranted."

Charging that the United States had been plotting with Britain and Chungking for an invasion of French Indo-China by British and Chinese troops, the "Nichi-Nichi" said, "If the United States is related to the Indo-China question, it is only in that she was responsible to a large extent for compelling Franco-Japanese collaboration jointly to defend the colony."

"Chugao" Opinion

Reaffirming Japan's firm and steadfast determination to bring about peace in East Asia, the "Chugai Shogyo," leading commercial daily, pointed out that the concern and consternation shown by other nations as a result of the movements of Japanese troops to French Indo-China for purposes of joint defence were difficult to understand.

"For other nations to be more or less panicky is their own business," the "Chugai" declared and added "their aggressive actions to retaliate are truly inexplicable.

Pointing to reliable reports of a hurried conference held by British, American, Dutch and Chinese military leaders to meet the so-called new situation in the Far East, and of the military conference of Chungking leaders to guard the Burma route and southern borders of Yunnan and Kwangsi Provinces, the "Chugai" sceptically said, "Although their results still are unknown, they can be no more than fanciful dreams."

Japan, Thai Relations

Turning to Japanese-Thai relations, the "Chugai" looked forward to increasing friendliness between the two nations as a result of the stationing of Japanese troops in French Indo-China.

Despite increasing reports that Thailand was being threatened by other nations, the paper pointed out that Thailand's territorial integrity and political independence now were secure by the presence of friendly Japanese troops in French Indo-China.

"Whatever action these nations may resort to, Japan will remain unmoved in her determination to bring about permanent peace in East Asia," the paper concluded.—Domei.

Japanese Envoy in U.S. Leaving for Tokyo

Washington, Aug. 4.

Mr. Kaname Wakasugi, Japanese Minister Plenipotentiary in Washington, will leave the capital tomorrow for Tokyo where he will make a personal report to the Japanese Government regarding the situation in the United States.

He has been especially despatched for this purpose by Admiral Kichisaburo Nomura, Japanese Ambassador to the United States.—Havas.

New Japan Party Being Formed

Tokyo, Aug. 6.

Prompted by the desire to place Parliamentary influences on a war footing on the one hand, and on the other to break the status quo of the Diet, young members of the Diet are banding together to form a new political organization, according to the "Miyako Shimbun" and the "Nichi Nichi Shimbun."

The movement has been started by Mr. Ichiro Hatoyama, former leading member of the now defunct Seiyukai party, and Education Minister in the Saito Cabinet in 1932.

The papers report that Mr. Hatoyama's move has elicited a hearty response among the younger members of other political parties, including the Minseito and the Kuhara and Nanajima factions of the Seiyukai.

If all members of defunct political parties unite, the papers predict that a new political organization will be formed with all former political affiliations and leanings sunk in the platform of a totalitarian party.—Reuter.

Restrictions Against Three Firms Lifted

Tokyo, Aug. 5.

Revising the previous announcement on July 29, which listed the Japan Dunlop Rubber Company, the Shinko Raw Cotton Corporation, and the Showa Raw Cotton Corporation, as among British firms affected by Japan's freeing order, the Finance Ministry announced today that the three companies will be treated on the same basis with Japanese firms.

The Ministry declared that it had found that these three concerns were controlled completely by Japanese nationals.—Domei.

Diplomats Exempt

Tokyo, Aug. 4.

Whereas the Japanese Government has been informed that Japanese Diplomatic and Consular services in Great Britain and Australia have been exempted from the assets-freezing regulations, the same consideration will be extended in Japan to the British and Australian Diplomatic and Consular services, effective August 5, the finance ministry stated today.—Reuter.

Change in Hostile Policy of U.S. Seen

Tokyo, Aug. 7.

Mr. Tohmin Suzuki, well-known editorial commentator for the "Yomiuri Shimbun," writing in the August issue of "Contemporary Japan" on "Is a Pacific War Possible?" declared, "It appears that the United States will soon find herself in a position which demands her to review and revise fundamentally her hostile policy toward Japan."

Leaving the question of a possible war in the Pacific unanswered by saying, "The general situation forbids us to deny the possibility of war between Japan and the United States," Mr. Suzuki asserted "If she is to extend effective aid to Great Britain, the United States will find it imperative to avoid, as far as possible, any antagonism with Japan.... Likewise, stern circumstances will dictate to the United States to give up her anti-Japanese policy in fostering Chiang Kai-shek's resistance by the grant of loans and supply of war materials."

Position in Asia Endangered

Mr. Suzuki continued, "The United States' over-confidence in the effect of her anti-Japanese embargoes, and her absolute trust in the Chiang Kai-shek regime are jeopardizing her position in Asia."

The writer declared, "Even a Power with the huge influence which the United States undoubtedly has, cannot hope to dispose of the East Asia question without taking into due cognizance the existence and power of Japan in this part of the globe. Nor can any policy be satisfactorily executed in East Asia if she meets opposition from Japan.

Mr. Suzuki further stated, "However strong the support extended by the United States to the Chiang Kai-shek regime, Japan's position in Asia will remain undisturbed. Still less will it be possible to reduce Japan to powerlessness.

U.S. Will Suffer Most

"So long as the Chiang Kai-shek regime offers resistance to Japan, Japan will be compelled to continue her attempts to defeat it by military force. And it will be the United States, who regards China as a sphere of economic expansion next in importance to Latin America, that will suffer most from disturbed conditions in East Asia."

Regarding the United States attitude toward Japan-Soviet relations, the writer declared, "The United States is fully aware of the important role which the Soviet Union could play in checking Japan, her most powerful rival." He asserted, however, that the "outbreak of the Soviet-German hostilities in east Europe is compelling the United States to modify her policy of pitting Japan against the U.S.S.R.—Domei.

"Asahi" Urges Japan to Be Prepared for Worst

Tokyo, Aug. 4.

A warning that Japan must be prepared for the worst with the United States, as the present situation leaves no room for adjustment of relations, was given by the conservative "Asahi Shimbun" in an editorial this morning.

The journal charges that the British and Americans have been manœuvring against Japan since early this year and are now trying to enlist the Soviets along with Chungking and the Netherlands East Indies in their encirclement programme.

The editorial considers it possible that there is some truth in rumours of the United States obtaining military bases in Siberia which, if it materializes, will leave Japan only one course under the Tri-Partite Pact.

The "Yomiuri Shimbun" meanwhile features a special despatch from Hanoi alleging that the British and Americans are establishing aviation facilities in southwestern China for an attack against Japan.—Reuter.

U.S. Learning High Cost of Living

Tokyo, Aug. 8.

The "Japan Times and Advertiser," yesterday said that the United States was "beginning to learn the high cost of its foreign policy."

Together with that knowledge, said the "Times & Advertiser" came fears and alarms that accompany the dangerous belief that "America reserves the right to participate in the affairs of all nations in all regions."

The newspaper cited various factors as indicating the high cost of America's foreign policy. The factors included impairment of trade and shipping and curtailment of Far Eastern business because of the freezing of credits; disruption of domestic economy due to uncertainty of the period of service of draftees conscripted from civilian occupations, unemployment because of the silk embargo and increased taxation and the restricted use of gasoline.

These factors, said the newspaper, arose largely because of foreign adventures of the United States.—United Press.

War Fever Sweeps Japan

Tokyo, Aug. 7.

AMID the tightening blockade around Japan, war fever has begun sweeping the country as vernaculars and many officials warned Britain and the United States of Japan's determination to force her way through the blockade if necessary.

Vice-Admiral Masazo Sakonji, Minister of Commerce and Industry, has warned that "the current international situation is so tense a single spark may be sufficient to cause an explosion."

With Washington, London and Batavia adding new pressure against Japan daily, pessimism was spreading among foreign circles who earlier anticipated lax enforcement of the freezing decrees.

With the nation's attention centred on how Japan is to pierce the encirclement, the "Hochi Shimbun" said the new economic agreement with Thailand already "is a time bomb in defiance of the Anglo-American intimidations and pressures."

Domei news agency published a despatch from Saigon claiming that Japanese officials there "are fully confident that Thailand now will fully cooperate with Japan's new order" despite the fairly large Thailand mobilization.

Domei said that Japanese officials were warning Thailand to avoid the fate of nations who depended on Anglo-American aid and that Thailand therefore should simulate Indo-China.

Sino-Soviet Alliance Seen

Officials continued their silence concerning the Russian question, but vernacular newspapers were increasingly worried that Russia may join in encircling Japan. The "Chugai Shogyo" has said that Chinese communists were becoming increasingly influential in China and as a result it was likely a Russo-Chinese alliance would be signed soon.

With the Japanese navy controlling Cam Ranh Bay and with substantial Japanese army forces advancing toward the Thailand frontier, Rear Admiral Tanetsugu Sosa, Ret., declared in the "Hochi Shimbun" that Japan's occupation of Indo-China "has already dealt a deadly blow" to the encirclement of this country, while Japan's southern possessions were cutting off Singapore and the Philippines thereby "breaking America's south-west Pacific strategic line to pieces....the Anglo-American Maginot Line in the south-west Pacific is not impregnable," he added.

While Japan tightened her belt economically, widespread military preparations were being carried on to prepare for any emergency. The nature of these preparations can not be disclosed, but it can be said that Japan today probably has the largest force in her history under arms.

Labour Shortage in Japan

This mobilization has resulted in a labour shortage, and as a result the Education Ministry has announced that all students from the middle schools upward will be organized immediately into a National Service Corps for collective labour coincident to military training.

The "Hochi Shimbun" declared that with America, Britain, Russia and China "laying every possible plot in an effort to oppress Japan....it is all too obvious that Japan faces bitter failure in her efforts to establish the co-prosperity sphere through peaceful economic measures." The article said that the advance into Indo-China through "lightning tactics" had proved the encirclers would retreat, "and as a result we are pleased to get this clue on how to go a step further toward completion of the southern sphere."

The Result of "Resolute Action"

The "Hochi Shimbun" said that Thailand, after hesitation, had finally decided to make an economic agreement with Japan as a result of Japan's "resolute action in Indo-China, and therefore there seems to be no better means of tightening the iron ring of our southward policy against anti-Japanese influences."

The "Hochi Shimbun" emphasized the Japanese proverb, "when we do things determinedly even demons will retreat," and concluded that it was urgently necessary to adopt "decisive ways and means to move southward."

Domei news agency reported from Bangkok that the Thailand situation should "be looked upon with considerable concern" because British diplomatic quarters "are working vigorously behind the scenes in an effort to disrupt friendly Thailand-Japanese relations.—United Press.

Russia Being Dragged In

Tokyo, Aug. 8.

Lieutenant-Commander Tota Ishimaru, well-known Japanese author, yesterday said that Britain and the United States, after unsuccessful attempts to encircle Japan, were about to succeed as a result of the Russo-German war by enlisting Russia's support.

Commander Ishimaru is the author of "Japanese-British War Inevitable." Writing under the title "Pacific war," he said that the Netherlands East Indies' and Chungking's participation on the side of Britain and America already had been obtained.

Britain originally sponsored the encirclement, said Commander Ishimaru. However, the United States at present was taking the chief role.

The writer stressed the necessity of the Japanese uniting firmly in order to overcome the impending crisis.

Commander Ishimaru said that the Russo-German war not only served to postpone German invasion of the British isles, thereby enabling Britain to replenish armaments and meet the German attack, but gave Britain the chance to transfer a portion of her fleet to the Pacific, greatly increasing the power of Anglo-American encirclement of Japan.—United Press.

Japan to Assign Workers To Tasks

Tokyo, Aug. 7.

The Japanese Government is prepared to assign workers to urgent tasks "without leaving this matter in the hands of employers alone," according to Lieutenant-General Chikahiko Koizumi, Welfare Minister.

Simultaneously, the Imperial Rule Assistance Association, in an effort to meet the labour shortage urged the Government to adopt a system of obligatory labour eliminating all non-urgent production. The Association also proposed conscription of female labour to replace male labour wherever possible.

The Association proposed special consideration be granted workers in important industries in the distribution of available foods and other daily necessities.

The Ministry of Commerce and Industry has decided to expand the rationing system, which is at present applicable to petrol and heavy oil, to kerosene, light and machine oils.

It was understood the Ministry was considering a higher rate in the mixture of alcohol in petrol plus further consolidation of oil refineries, establishment of an Oil Control Association, and increased artificial oil output in order to cope with the situation resulting from American oil restrictions.

In order to conserve the petrol supply, the Ministry of Railways is suspending, effective August 19, service on 38 lines throughout Japan which at present operate petrol cars.—United Press.

More Foreign Firms In Japan Restricted

Tokyo, Aug. 8.

The Finance Ministry today added eight foreign companies in Japan to the list of companies subject to the restrictions under the freezing ordinance. Five British firms, two United States concerns and one Dutch company were affected by the order which is effective today.

The listed companies were the British firms, the Asahi Real Estate Corporation in Yokohama; the Building Association Limited; Niwa Corporation; Miyabe, Suetaka and Company, all in Kobe, and the Indian Traders Association in Yokohama. The American firms, the East Asia Trading Corporation in Tokyo and the Japan Vacuum Oil Corporation in Yokohama, and the Dutch firm General Developing Company in Osaka.—Domei.

Less Restrictions on N.E.I. Subjects in Japan

Tokyo, Aug. 8.

The Finance Ministry yesterday afternoon announced the alleviation of restrictions effective today on economic activities, other than monetary transactions, of nationals of the Netherlands East Indies residing in Japan.

The move was taken in view of the fact that no restrictions, outside of monetary transactions, are being imposed by the Netherlands East Indies authorities on Japanese residents there.—Domei.

Price Control Policy

Tokyo, Aug. 4.

The success of the government's price control measures was hailed by the influential "Asahi" today as a cardinal reason for the weakening in the uptrend of living cost indices since August of last year.

The "Asahi's" survey of the living cost index gained 5.2 per cent, during the first six months of 1940, while the increase during the corresponding period this year amounted to only one per cent.

The paper attributed the cause of the decline in the rise to the government's broad control of food prices enforced since last August. The gain of the June living cost index over the January index was 2.64 per cent, in 1939, the paper added.—Domei.

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NEWS FROM JAPAN (continued)

U.S., Japanese Repatriation

Tokyo, Aug. 8.

REPATRIATION of Japanese from the United States may become the subject of negotiations between Japan and the United States, a Government spokesman said today.

Mr. Koh Ishii, Deputy Spokesman of the Cabinet Information Board, said that repatriation of Japanese subjects from America was difficult because there were so many, but that it may become the subject of negotiations, pending which resumption of shipping depends on whether it is economically profitable.

The United States embassy yesterday assured Japan that the safety of Japanese ships in United States ports was guaranteed and that fuel supplies for the return trip could be obtained. However, the Embassy cautioned that cargoes would be subject to civil proceedings.

Reciprocal Treatment

Mr. Ishii said that if American ships call at Japanese ports they will be treated on the same basis Japanese ships are treated in United States ports.

A reliable American source here said in connection with shipping that the main issue was rapidly becoming the repatriation of Japanese and American nationals instead of economic profit.—United Press.

Shipping Position Unchanged

Tokyo, Aug. 8.

There are "no new developments," was the declaration made today by Mr. Koh Ishii, Deputy Spokesman of the Information Board, when questioned at today's press conference regarding the sending of Japanese ships to the United States.

Mr. Ishii reiterated that Japanese ships will be permitted to sail to the United States if profitable from a commercial standpoint. He also disclosed that no decision had been reached regarding the departure of the N.Y.K. Liner Nitta Maru for the United States.

Questioned regarding the Asama Maru, Mr. Ishii said that the vessel has not arrived in San Francisco, and is still "on the open sea." He added that the Tatuta Maru will come back to Japan directly without touching Hawaii.

The spokesman revealed that the disposal of the Tatuta Maru's cargo at San Francisco is still pending.—Domei.

Japan to Have Better Air Defence Measures

Tokyo, Aug. 8.

Realizing the urgent necessity for protecting major industrial cities in Japan against air raids, the Home Ministry has decided to reorganize the Interior Planning Board into an Air Defence Bureau with the necessary budget already approved at the last Cabinet meeting.

It was understood that the Bureau will be composed of three boards taking supervision respectively over air defence, defence equipment and general affairs pertaining to air defence.

Meanwhile, more defence officials with technicians will be dispatched to industrial areas, including Yokohama, Nagoya, Osaka, Kobe and northern Kyushu in order to facilitate effective means and ways of air defence.—Domei.

Japanese Ship Sinks

Tokyo, Aug. 7.

The 1,700-ton Japanese vessel, Kano Maru, which was caught in a typhoon last night, sank at 1.20 a.m. today 20 miles off Tokunoshima Island, south of Kagoshima Prefecture, the Japanese news agency, Domei, reported from Kagoshima.

The vessel radioed for help as an undisclosed number of members of the crew took to the lifeboats, but because of the high seas rescue was believed difficult.

The "Asahi" said that the typhoon struck Nawa early this morning, causing heavy floods and damages before heading for the China Sea.—United Press.

New Body to Be Formed For Defence in Japan

Tokyo, Aug. 8.

By decision of the Education Ministry yesterday, Japan soon will have a student soldiery to meet any emergencies at home which may require armed organized defence.

The group, which will be called the "Students' Patriotic Corps," will be composed of students of colleges, higher schools and middle schools throughout Japan and will function in the same manner as Britain's home guards.

Instructions for the creation of such bodies, which were gazetted today, will be sent to Prefectural Governors, principals of schools directly under the supervision of the Education Ministry, as well as the presidents of colleges and universities.

Vice-Minister of Education Toyosaburo Kikuchi will act as generalissimo of the entire corps. The Central Office, located at the Education Ministry in Tokyo, will act as a liaison organ between the Ministry and local organs to be established in various prefectures.

The Central Office will be divided into the executive and organization bureaus under Education Ministry officials, while local bodies will be under the control of men selected by the Education Minister from among the heads of the schools of each district.—Domei.

Transport Restrictions

Tokyo, Aug. 6.

With the object of giving priority to the transportation of vital goods and commodities, the Railways Ministry has notified trucking companies and forwarding agents in different prefectures that the following articles should not be accepted for transportation as from August 10.

1. Cargoes to be transported for a distance of more than 50 kilometres (30 miles).
2. Parcels and baggage to be delivered to the homes of customers from department stores or retailers.
3. Garden stones, marble and imitation stone ornaments.
4. Plants, potted plants, potted flowers, bouquets, wreaths; etc.
5. Cameras, musical instruments and other recreational instruments and other articles prohibited by the Governors of respective prefectures.

In exceptional cases special permits may be granted.—Havas Telemondial.

Japan to Break "Encirclement"

Rome, Aug. 10.

ADMIRAL Teijiro Toyoda, Japanese Foreign Minister, told the Tokyo correspondent of Stefani, official Italian news agency, in an exclusive interview yesterday that Japan and the Axis at present are closely collaborating in Europe and Asia for the purpose of breaking what Admiral Toyoda termed the encirclement policy of other nations against Japan.

Claiming that Japan's southward policy is peaceful and not directed against other nations, Admiral Toyoda told Stefani, however, that Japan will not be indifferent to events occurring within its sphere of interest.

"The three Tripartite Powers are at present doing their utmost to establish the new order of Asia and Europe on the basis of the predominant position of these countries in their respective spheres," the Japanese Foreign Minister declared.

"The present hostilities in Europe, Africa and Asia are connected since their development has been largely influenced by those countries which oppose the activity of our three nations aimed at establishing international relations on a just and equal basis.

"In reacting to such obstructionist manœuvres, Japan, Germany and Italy are acting in complete harmony despite the fact their actions are limited to their respective zones for geographical reasons.

"Even as far as East Asia is concerned the three countries are collaborating closely as in the past. No encirclement policy either in theory or in practice can dissuade Japan from following its course. Japan can not remain indifferent to developments in the encirclement front which threaten its own safety and that of East Asia," Admiral Toyoda added.

Russian Attitude Watched

"Even if an accord should be concluded between Great Britain and the United States, and Soviet Russia, what really would interest Japan is the attitude of the Soviets since Russia is one of the contracting parties to the Russo-Nippon neutrality pact.

"Naturally, Japan will not be indifferent to any political and military developments occurring in its vicinity, and in the meantime, considers the situation with grave preoccupation.

"I want to repeat that the so-called policy southwards is strictly peaceful in character and is only aimed to promote reciprocal relations between Japan and the regions of the South Seas," the Foreign Minister concluded in the interview.—United Press.

Cyril Rogers Appointed Economic Adviser

Hongkong, Aug. 11.

Mr. Cyril Rogers today was appointed economic adviser to the Hongkong Government in connection with problems immediately arising from freezing of Sino-Japanese credits as well as inclusion of Hongkong in the sterling area.

Mr. E. L. Hall Patch, British Financial Commissioner in the Far East, is now serving temporarily as member of the Chinese Currency Stabilization Fund Committee.—United Press.

Embassy Official in Car Accident

Tokyo, Aug. 7.

A speeding automobile driven by Mr. A. G. Neil, Second Secretary of the British Embassy, this morning injured a 14-year-old girl when the car skidded up the sidewalk upon the sudden application of brakes at Attamachi, Ushingome Ward. The girl suffered bruises and cuts on both legs, and was expected to recover in two weeks.—Domei.

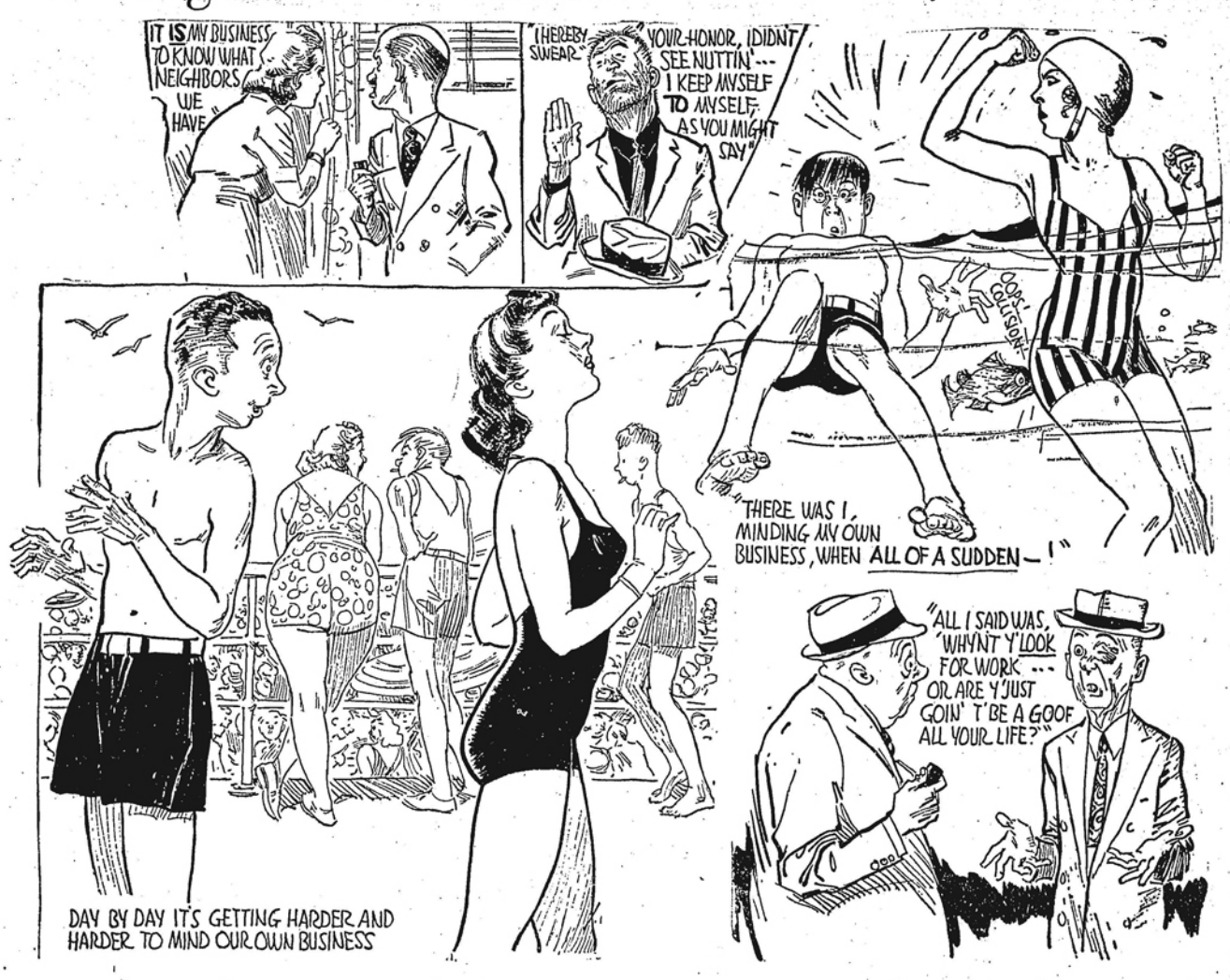
Polish Refugees to Leave Japan

Tokyo, Aug. 11.

Reliable quarters claimed today that approximately 1,000 Polish refugees who have been permitted to remain in Japan for many months despite the fact they possessed only temporary visas must leave before September 15. New residence permits will be refused, it was understood.—United Press.

Minding Our Own Business

By J. NORMAN LYND



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SHANGHAI NEWS

First Anniversary of "Battle Of Britain" Observed

Aug. 9.

THE first anniversary of the commencement of the "Battle of Britain" was commemorated yesterday at the regular weekly tiffin of the Royal Air Force Association of Shanghai at the Dome before a distinguished gathering of the consular representatives and officials of Great Britain, the United States of America, Belgium, the Netherlands, Norway, Greece, Poland, Czechoslovakia, De Gaullist France and Soviet Russia. Principal guests of honour were the Royal Air Force; Mr. A. H. George, British Consul-General representing the British Commonwealth; the consular representatives of the nations mentioned and colleagues of the British United Services Association.

The deeds of the R.A.F. shone forth in epic grandeur as glowing tributes were paid to the British airmen whose exploits in the words of Mr. George have made final victory possible. He declared that they were made of the stuff which had no equal and had proven their superiority not only in Europe, in the Mediterranean, but also in Africa. Other tributes to the R.A.F. came from Mr. V. J. B. Holland, President of the R.A.F.A., and Mr. G. W. Boissevain, Netherlands Consul-General.

Two Ways to Help

Mr. George stressed two ways in which the local British community could serve the cause, viz: 1, by sending every available man to serve in the forces; 2, by giving every spare penny to buy planes and relieving in a slight measure the burden of the folks at Home. Mr. Holland in his speech said:—

Gentlemen,—I am very proud today, because I have a legitimate excuse to laud to you the deeds of my old corps and that of many others here today.

We all know now that today commemorates the first anniversary of the commencement of the "Battle of Britain," but how many of us realize what that air battle meant to Britain? It was a proud honour which had fallen on the young shoulders of the Royal Air Force and it is to pay tribute to the manner in which they performed their duty that we are gathered here today. (Applause). This tribute is not only to the magnificent display in which the enemy was completely outflown, outgunned and soundly whipped, in which was dispelled the myth of Nazi invincibility, but also for the incalculable psychological value of their victory which brought to the hearts of the peoples enslaved in Europe, under the Nazi yoke, the encouragement and buoyant hopes now manifesting themselves through the "V" for "Victory" sign. The Royal Air Force has now earned for itself a special nitch in the hearts of all peoples—excepting of course our enemies, and in this connection I should like to read you an extract from a speech delivered at these Headquarters by the representative of a people for whom we all have the greatest respect. He said:—

When we all appeared to be near to disaster it was British courage which held out—The people of Great Britain were firm in their resolution to resist and it was especially the Royal Air Force which gave us all back that confidence in Britain's power to meet, to break and to turn aside the fury of the barbarians, who saw world victory within their reach and counted the days until they could attain it.

Thank you (Mr. van den Berg) again Sir, for your kindness, I am sure your speech will be much appreciated by the members of the corps to which you have so kindly referred.

Principal Guest of Honour

We too, are very proud of our Royal Air Force, who is our principal guest of honour today. We are so proud that we could not allow this occasion to pass without our pleasures being shared with our friends and so, fellow members, we are honoured to welcome today the British Commonwealth in the person of our Consul-General and his colleagues, both of the Consular Staff, Royal Navy and Army; to the representatives of the United States of America; to the free and independent Governments of Belgium, The Netherlands, Norway, Greece, Poland, Czechoslovakia, De Gaullist France; to our own colleagues the British United Services Association and to our newly joined Allies —Soviet Russia.

This day, unfortunately, will be a day of sorrow to many British people who lost near relatives and sometimes whole families in the indiscriminate bombings of the Luftwaffe. To those bereaved people our own and universal sympathies will be extended, but I am sure their reply will be:—My comfort lies only in the Victory we won—get on with the job.

No Decadence But Quality

That is what we have to do—"Get on with the job"—we still remember the fate of Poland, of Rotterdam, of Coventry. Lord Halifax was right when he christened, in America, one of the latest types of bombing machine "Revenge." The Nazis have described the British people as "soft" and the young men of Britain as "decadent." What do we care what they think—we know our lads have something the Nazis have long since forgotten and that is "quality." Our lads have quality, so have their comrades from the free and independent governments whose representatives are here today and whose men are serving in various Squadrons attached to the R.A.F. (Applause) Man for man, machine for machine, this now Confederated Royal Air Force is superior; in a little time, I hope, we all hope, such a little time, we shall be superior in quantity. We shall pay them back, we shall "Coventrise" their cities, we shall test them and find out whether they can "take it" as well as "give it." We are well on the way, and we read that, generally, the Luftwaffe are disinclined to show combat with our "decadent" lads dressed in light blue, these same lads who dispelled the myth of Nazi invincibility.

Invincibility Myth Exploded

Gentlemen, there is no such thing as being in a state of invincibility. The Germans are not invincible. The Royal Air Force proved that, against the "mighty" Luftwaffe, our Royal Navy when they carried off our Army from an impossible position despite the very earnest endeavours of the German army and Luftwaffe to prevent it and the Russian Army is today giving us further concrete evidence against this myth. (Applause). The R.A.F. gave no thought to the psychologic armament of the Luftwaffe—they just waded in to win, because they were the better.

Let us take to heart the lesson shown us. We shall win this war because we shall and must make ourselves better than the enemy. We should say to ourselves "Are we satisfied with our endeavours?" Our answer must be "No!" We must never be satisfied, we must strive to something better, not only until Victory is ours and peace once more restored to the World, but for all our lives. Our valiant leader, Mr. Winston Churchill, has shown us the way when he used the following words in his recent speech at the Guildhall, London, when referring to Hitler's war machine "And to them I would say—You do your worst and we will do our best."

Mighty Programme of Assistance

And to America, to President Roosevelt, what a "best" they are and he is, too, doing for us. What a mighty programme of assistance, what an avalanche of increasing momentum has risen in that country and flowing with irresistible force, against all adverse tides, to the shores of Great Britain. (Applause). When we hear their song—I should say hymn "God Bless America" and we think of what they are doing for us, we swallow that lump and say "Yes! God Bless America." (Applause).

So let us do our best in Shanghai, subscribe to the utmost of our resources to the British Voluntary War Fund, support the various War Efforts Sub-Committees of the British Resident's Association, work harder at our respective occupations, your endeavours may release a man for active service; stop trading with the enemy—if you have any doubt as to the standing of any firm, seek advice from the B.R.A., do everything he can to help win this war and do nothing to hinder or embarass your local authorities—in fact let us be good citizen soldiers.

Gentlemen, in proposing the Toast, I can only quote those immortal words uttered by our Prime Minister:—

The gratitude of every home in our Island, in our Empire, and indeed throughout the world, except in the abodes of the guilty, goes out to the British airmen, who, undaunted by odds, unwearied in their constant challenge and mortal danger, are turning the tide of world war by their prowess and by their devotion. Never in the field of human conflict was so much owed by so many to so few.—Gentlemen, The Royal Air Force.

British Consul-General's Address

Mr. George in a brief speech said he was flattered to receive an invitation to be present to celebrate the successful outcome of one of the greatest and most unique battles of all history. The Battle of Britain not only showed the enemy that it was impossible to invade the British Isles, but that air raids could only be conducted at a fantastic cost of planes and heavy toll of men. The enemy was so discouraged that the invasion of Britain was never attempted.

He then paid a tribute to the Russian army for putting up such a staunch and magnificent fight which would undoubtedly make the invasion of Britain a remoter possibility. In the meanwhile the offensive stand which has taken the place of defensive action is increasing in Britain that any attempt at invasion would only be made as a final act of desperation by the enemy. Regarding the final issue they need no longer be in doubt.

He went on to pay a glowing tribute to the R.A.F. whose valour has made victory possible. They were made of the stuff which had no equal anywhere else. Given the necessary machines and equipment British airmen had proven their superiority not only in Europe, the Mediterranean, but also in Africa. Their crowning achievement would be the winning of World War No. 2 for the Allied cause.

The speaker then emphasized the two ways in which the British community here could help, viz: 1, "By sending every man we can possibly spare to serve in the Forces in whatever capacity he is best suited for; and 2, by giving every penny we can spare to buy the planes we must have, thereby taking over a little of the burden of our own folks at Home."

It was for this purpose that the British Ambassador a year ago created the Voluntary War Contribution Fund. Not long ago he said they remitted enough to see the establishment of the "China British Squadron" and only yesterday morning did they receive a telegram from the Minister of Aircraft Production thanking them for the donation and stating that the squadron was taking an active part in defending the country against the enemy. If they could reach £200,000 by this week-end they should be able to buy another squadron.

In concluding the speaker pledged his wholehearted support to any scheme which would contribute to the winning of the war, whether directly or indirectly. "It seems to me that the best proof we can give to friends and foes alike of our determination to win this war is to make every personal sacrifice we can for that cause," he declared.

Netherlands Consul's Address

Unbounded admiration for the prowess of the R.A.F. in achieving a victory which now is assured for the allied forces was expressed by Mr. G. W. Boissevain, Netherlands Consul-General, in presenting to the Association a flag of his country. "I dedicate these colours to those airmen who freely gave their lives for our common ideals and to the living who are ensuring that these sacrifices shall not have been made in vain," he declared. He also mentioned Mr. Peter Hovenier, his step-son, a former Cathedral School boy serving with the R.A.F. who has been reported missing. His address in part follows:

You have been good enough to invite me, together with members of my staff, to a luncheon on July 11. Due to absence from Shanghai on short leave, I was unable to accept but Consul Mr. van den Berg addressed you and asked leave for the presentation of a Netherlands flag.

In making this presentation today, enabled to do so by your kind invitation to join you on this occasion, I feel proud that the Colours, under which my countrymen met a vastly superior enemy in May, 1940, when the small air force of Holland met a glorious end in defence of our most sacred liberties, and under which others are carrying on this fight to the finish at the side of our gallant allies, will find place amongst their flags here displayed.

Germany has made an implacable foe in brutally invading my country. We shall not rest until the soil of the fatherland has been made free of Nazi pollution for ever. Our unbounded admiration for the prowess of the R.A.F. in achieving a victory which is now assured and of that of the allied forces should be here expressed in tribute to the joint battle for freedom and decency.

As you all know a small number of N.E.I. airmen was sent to Great Britain as fighters. It has been recently reported that, although they have started in actual combat only in April Lt. Brulynier had shot down four enemy machines, Buys, before being reported missing on July 24, had accounted for two enemy planes, whereas Pilot Officer Pennings has been missing since April 27.

I dedicate these Colours to those airmen who freely gave their lives for our common ideals and to the living who are ensuring that these sacrifices shall not have been made in vain.

I raise my glass to the health and prosperity of the R.A.F.A. of Shanghai.

"N.C.D.N." Photos.

Battle Anniversary Observed

Commemorating the first anniversary of the commencement of the "Battle of Britain," distinguished personalities of the allied front met at the Dome on August 8 when tributes were paid to the R.A.F. at the weekly tiffin of the Royal Air Force Association of Shanghai. Pictured above is Mr. A. H. George, British Consul-General representing the Commonwealth. He is standing making the main speech. The lower picture shows Mr. G. W. Boissevain, Netherlands Consul-General, making a speech while presenting a flag of his country to the Association.

Detained Tanker Turned Over to Customs

Aug. 9.

Questioned at the press conference yesterday as to further developments regarding the detained Standard Oil Company's tanker, the s.s. Meiyo, Commander N. Hazama, the Japanese Navy spokesman, stated that the vessel had been chartered by Chinese and contained about 2,000 barrels of oil destined for guerilla activity. This oil, he added, had been confiscated and the vessel turned over to the Customs. The disposition of the tanker was being awaited.

Soviet, Japanese Border Clash

Aug. 6.

The rumoured clash between Soviet and Japanese troops near Manchouli about two weeks ago was substantiated by Lieut. Colonel K. Akiyama, Japanese Army spokesman, at the Japanese press conference yesterday. A few Russian border scouts had crossed into Manchoukuo territory, he stated, and some shots were exchanged between the two sides, during the course of which one Japanese was wounded. Only about five troops on either side were involved in the fray, it is understood.

Colonel Akiyama added that for a number of years small incidents such as this have been taking place along the border and neither the U.S.S.R. nor Japan have deemed them important enough to be taken up for arbitration. In extenuation of these constantly recurring skirmishes the Army spokesman pointed out that the Soviet-Manchoukuo border was in many places ill-defined and it was largely a matter of an understanding between the two sides. The higher authorities, he went on, were taking the matter up with the intention of delineating the border more exactly. He was careful to stress that no significance could be attached to this particular incident in spite of the rumours that have been spread round Shanghai recently.

Splendid Opportunity

Questioned as to whether any credence could be attached to the report of a major Chinese offensive to be launched by Chungking owing to the alleged widespread withdrawal of Japanese troops, Colonel Akiyama replied that if the Japanese were really withdrawing troops, it would be a splendid opportunity for the Chinese to start a big attack.

"But as there has been no indication of any such offensive," he added, "it rather gives the lie to the statement about the withdrawal of the Japanese troops. There has been no recent attempt at a counter-offensive on the part of Chungking." He further gave it as his opinion that the poor quality of the troops both morally and physically at General Chiang Kai-shek's disposal, rather than the alleged lack of artillery, has been chief deterrent to any large-scale offensive. "They are not the same troops who fought so valiantly at Shanghai," he concluded.

Japanese Holding American Tanker

Aug. 6.

Questioned as to the detention of the Standard Oil Company's tanker, the ss. Mayo, by the Japanese authorities, Commander N. Hazama, the Japanese Navy spokesman, stated that the ship is being held pending investigation on certain points. He added that the authorities had no desire of holding the vessel for a longer period than was absolutely necessary and that the investigations were being carried out as speedily as possible.

The reason for the detention of the tanker, Commander Hazama understood, was the discrepancy between the vessel's movements and its signified intentions on clearing port. Instead of putting in at a certain small port just below Kiangyin on the south bank of the Yangtze, as stated in its papers, the tanker proceeded ten miles up river to Shingkong. Owing to this unnotified change in its intentions, the vessel was detained and brought back to Shanghai, where the investigation of its movements is being carried out.

Indian Nationalist Party Member Here

Aug. 7.

Mrs. Kamaladevi, a member of the Indian Nationalist party who is passing through Shanghai on her return to India after seventeen months' travel abroad, was guest of honour at a tea party given at the Foreign "Y" yesterday afternoon by the local Indian Merchants' Association. The visitor came here from America where she sojourned for some time after visiting England.

Drowning Woman Saved

Aug. 12.

Three members of the Japanese Naval Landing Party, at 1.30 a.m. yesterday, saved a Chinese woman from drowning in Soochow Creek, it was revealed by the Japanese naval authorities here. The woman, who was pulled out of the creek by the bluejackets, was taken to the Shanghai Hospital after first aid had been administered by a foreign doctor who happened to be passing at the time.

Seaman Hideichi Oikawa, First Class, Seaman Reinosuke Izumi, First Class, and Fireman Isao Aaguchi, First Class, it was revealed, were patrolling along North Honan Road when they saw 20 or 30 Chinese gathered on the bank of the creek apparently watching something in the stream.

Upon investigating, the bluejackets discovered a body in the creek and immediately pulled the woman out of the water. A foreign doctor, who happened to be passing the scene at the time, administered first aid.

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SHANGHAI NEWS (continued)

Typhoon Passes Near Shanghai

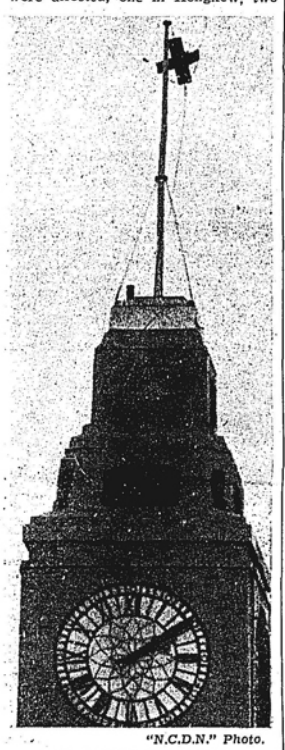
Aug. 9.

SHIPPING schedules were upset, traffic and transport facilities to some extent were disrupted, vessels and small craft in the Whangpoo scurried to the waterfront for safety, and accidents occurred yesterday as Shanghai experienced the effects of a violent typhoon which at about 9 p.m. crossed the Yangtze mouth north-west by north after having raised hurricane gales in the Woosung regions. Zikawei reported late last night that in the Shanghai district today the north-westerly wind would blow hard with some showers gradually abating with clearing skies. Many streets were flooded.

In addition to minor accidents which happened during the day as a result of the heavy gale and rain an aged male Chinese had his spinal cord broken last night shortly after 8 o'clock when a wall in his house in Tongshan Road, already partially damaged during the hostilities, suddenly gave way before the high wind. The typhoon's approximate position (its centre) at 6 p.m. was within 30 miles of latitude 31.12 longitude 122.30, in the direction north-west by north with intense violence.

Telephones Affected

Several disturbances were occasioned in the services of the Shanghai Telephone Company. Four areas were affected; one in Hongkew, two



"N.C.D.N." Photo.

The Expected Typhoon

in Wayside, one in the French Concession, and one in Hungjao. Subscribers may rest assured that necessary repairs will be effected as soon as possible, weather conditions permitting.

Shipping schedules were upset, traffic and transport facilities to some extent were disrupted and vessels and small craft in the Wangpoo scurried to the waterfront for safety yesterday as Shanghai experienced the effects of the worst typhoon of the season. The intensity of the wind grew in momentum from the morning and by 5 p.m. many districts were flooded and many streets even in the Central District were rendered impassable by the heavy gale and rainfall.

Vessels due to sail yesterday postponed their sailings and in one case a liner which had left port had to return. The extent of damage caused to small river craft outside Shanghai could not be gauged but is believed by reliable quarters to be extensive. Landslides were reported in several regions specially in outlying districts.

Serious Floods

It was learned from an authoritative source at 5 p.m. that the centre of the typhoon could be expected in the vicinity of Shanghai between 8 p.m. and midnight. The same source stated that Shanghai would be invaded by a serious flood if the typhoon should traverse the Yangtze River regions.

In the morning it was learned that the typhoon was heading for Shanghai and precautions were taken by the shipping companies and others to prepare for the visit of the storm.

Although the typhoon was not travelling at a high speed its intensity was violent. Towards 5 p.m. many streets in the Central district were under water, while a more severe liquid invasion had taken place in the French Concession, Wayside and especially in outlying districts and the western areas. Numerous streets were impassable owing to the heavy gale and copious rainfall.

There was the usual acute demand for rickshaws when office workers were confronted with the task of getting home in the best way they could and with the minimum of drenching. Higher fares were asked and paid for rides of even a short distance.

A report posted in the press board in Police headquarters stated that Muirhead Road and Broadway East were flooded and impassable for traffic, while flood conditions also prevailed in the Yangtszepoo district and impassable for motor traffic.

Factories Closed Down

It was learned that some factories north of the Creek were unable to supply the Settlement with various commodities.

Two black balls were hoisted on the flagmast of the Custom House in the morning warning all ships against leaving port.

The flood was ascribed to the high tide which was at its highest for the month in the Whangpoo yesterday causing large sections of Wayside, Yangtszepoo and Broadway to be innundated in the morning.

Along Nanking Road considerable havoc was caused by the strong wind. Signboards, posters and other advertising signs were missing from many shop fronts, numerous windows were smashed and pedestrians scurried for safety by dashing across the street.

At 4.30 p.m. the Zikawei Observatory reported variable weather with freshening north-easterly winds around Shantung and cyclonic storm with rain over the Yellow Sea and the Saddles. The violent typhoon was stated to be advancing north-north-westward — north-easterly to north-westerly squalls with showers over our regions with overcast weather, improving in the evening. The weather was stated to be cloudy with strong south-easterly to southerly winds over the Eastern Sea.

At 2 p.m. the typhoon signal gave the approximate position of the typhoon centre to be within 30 miles of latitude 30.30, longitude 122.50, direction north-west to north-north-west with violent intensity.

In the outlying districts numerous trees were uprooted and the flood conditions were at its worst.

Along Nanking Road many Chinese shops suspended business in the afternoon by closing their doors and the tram service was suspended.

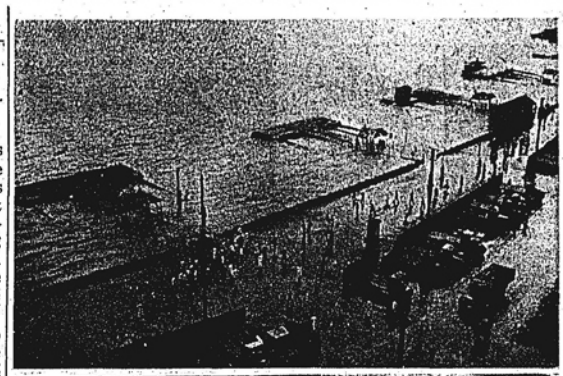
Fire Brigade Kept Busy

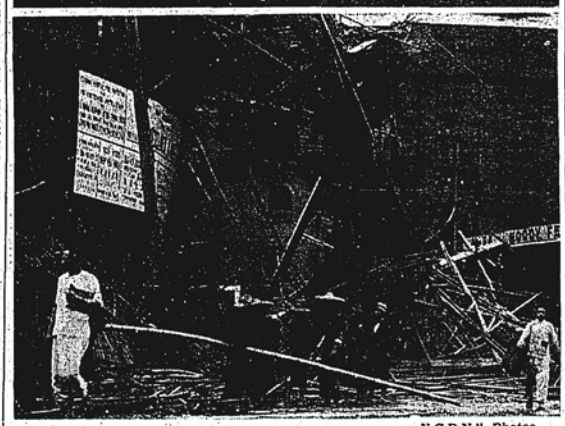
The Fire Brigade was kept busy the whole day yesterday various divisions attending the scenes of several house and wall collapses resulting in several persons being injured. At about 2 p.m. a call was received from 67 Love Lane, where a scaffolding collapsed. At 2.41 a big sign-board at the intersection of Chapoo and Haining Road was blown down. At 3.29 p.m. a partially demolished building at the corner of Tsepoo and North Kiangse Road collapsed. There were no persons injured as the house was unoccupied.

Later in the afternoon a big tree on Yu Yuen Road was reported to have been uprooted and to have inclined against a building.

At 12.52 p.m. the emergency ambulance was called out to convey to hospital a Chinese who was injured by a falling signboard at the intersection of Broadway and Minghong Road. An old house on Sinza Road collapsed and a Chinese woman was injured. Another Chinese was injured at 5.44 p.m. at the corner of Ningko and Ward Road when an electric pole was blown down.

At about 1.25 p.m. the bamboo scaffolding of the Wheelock and Company crashed down breaking two telephone poles at the intersection of Avenue Edward VII and Szechuen Road. The framework cracked in the face of strong wind until the scaffolding collapsed to the street.





"N.C.D.N." Photos.

As Typhoon Crossed the Yangtze

A violent typhoon crossed the mouth of the Yangtze on the night of August 8, after raising hurricane gales in the Woosung region. Shanghai experienced the effects of the typhoon throughout the day although Zikawei predicted "clearing skies" for August 9. Above: Tidal waters worsened the typhoon situation during the day by overflowing the Bund causing inundation of wharves. Below: Heavy gales played havoc with property and flimsy structures including a bamboo scaffolding surrounding a building in process of construction in the Settlement, which was blown down.

Garbage Coolie Injured

Aug. 11.

A 23-year old garbage collector and sweeper named Chu Kwang-hung had his left arm blown off yesterday shortly after 9 a.m. during the explosion of a hand grenade which he picked up from the street and carelessly tossed to the ground. The unfortunate coolie, who is lying in a very serious condition in St. Luke's Hospital, picked up the missile near the front door of a house at 103 Haiphong Road. Apparently ignorant of the danger of explosion he tossed it to the ground and tried to break it with the aid of a stone. The inevitable explosion occurred but fortunately no one else was passing through the street at the time. The origin of the missile was being investigated by the police.

Toll Exacted by Typhoon Rises

Aug. 10.

Three persons were killed and twelve others injured by the passing typhoon, it was learned yesterday. In addition to human casualties, the violent wind caused huge damage to houses in the International Settlement and Western area, and uprooted numerous trees.

The emergency ambulance service of the Shanghai Fire Brigade, in addition to fourteen "usual" calls, was called upon twelve times, to convey the injured to various clinics in the Settlement. Of the three killed, two were women. One was fatally injured when a brick house collapsed in Kashing Road, while the other was killed at 458 Ningkuo Road. A man was killed at 27 Yao Ka Pang, off Connaught Road, at 4.32 a.m. yesterday when part of a house collapsed. Another was injured in the same mishap.

At 9.37 a.m. yesterday, part of the wall of 258/28 Tongshan Road collapsed, but fortunately no one was injured.

Wall Falls on Four Persons

Late on Friday night, at 11.25 p.m., a row of six houses collapsed in Kwei Teh Li off Brenan Road, burying three males and a woman. All four were injured.

Many roads, both in the International Settlement and French Concession, were still under water early yesterday morning, the districts in the Settlement to be most affected being the Louza, Sinza, Chengtu, Hongkew and Gordon areas. Later in the morning the floods subsided and the foregoing areas were reported passable to vehicular traffic. Rue Cardinal Mercier, was under water at a late hour in the afternoon.

The weather had its effect upon shipping and only four steamers left port yesterday, while three were reported to have arrived. No waterfront damage, however, was reported, the smaller craft having evaded the fury of the hurricane by scurrying to the waterfront for safety.

Rice Prices Soar

Aug. 11.

Owing to the tense situation existing between Japan and Thailand, profiteers in the Shanghai Rice Market again on Saturday made large purchases. As a result, prices jumped up again with the first grade Saigon rice priced at $137.50 while the second grade of the same rice was sold at $126.50. Even broken rice was sold at $97 per picul. Prices of bean oil needed in every Chinese family for cooking vegetables have been following an upward trend for many days now. The price of flour also registered another increase on Saturday with the "gold dragon" flour once sold at $32.80 per bag.

Popular Officer's Presentation

Aug. 9.

Having been associated with the Fingerprint Department of the Municipal Police for nearly fifteen years, the majority of his service with the S.M.P., Det.-Inspr. "Jimmie" Dickson, on retirement from the force tomorrow, yesterday was the guest of honour at a pleasing function held in the Police Club, at which comrades of the Force met to bid him official farewell. Mr. Dickson, however, intends to remain in Shanghai for the time being.

In spite of the inclement weather, Mr. T. Robertson, Deputy Commissioner, faced a large number of senior officers in making the presentation, numbering Messrs. Baker, Deputy Commissioner; Grant, Governor of Gaols; Sharman, Grubb, Bennett and Samson, as well as the majority of superintendents and chief inspectors of the Department; with whom were associated heads of stations and chiefs of detective offices.

Felicitations Extended

In a cryptic talk, succint and enlightening, Mr. Robertson outlined the career of Mr. Dickson, intimating that he had been a fingerprint expert, as well as in hand writing. Extolling his extra-police work, he commented on his activity as secretary of the Police Club, enthusiast in sports circles and veteran of police golfers. Personally he knew Mr. Dickson as a man of veracity excepting "when turning in his golf cards." As an officer, his conduct at all times had been exemplary. The Comissioner of Police extended his regrets at being unable to attend, but extended his felicitations to Mr. Dickson.

Suitably replying and wittily as well on being handed a number of gifts, including military hair brushes, full dress studs, cuff links and waistcoat buttons and an onyx, stand with pen, suitably inscribed, Mr. Dickson observed that he would remember the best wishes of participants whether he remained in Shanghai or went abroad.

"N.C.D.N." Photo.

Pleasing Ceremony at Police Club

On the occasion of the retirement of Det.-Insp. Dickson from the Municipal Police Force, which officially will take place on August 10, Mr. T. Robertson, Deputy Commissioner (Crime) on August 8 made a presentation on behalf of members of the Force in the Police Club.

Japanese Sailor Saved From River

Aug. 8.

Prompt action by the United States gunboat Luzon on Sunday night saved the life of a Japanese sailor after he had accidentally fallen into the Whangpoo River from a small vessel plying between the Izumo Docks and the Kiangnan Docks, it was revealed by the Japanese naval authorities on Wednesday night.

According to reports, Fireman First Class, Takeoshi Shitamoto, left the Izumo Docks at 10 o'clock on Sunday night on official business aboard one of the regular shuttle vessels bound for the Kiangnan Docks.

About five minutes later, as the vessel was passing near the gunboat Luzon, Shitamoto fell into the river. The small shuttle boat immediately stopped to look for the sailor, while the Luzon, noting the trouble, immediately lighted up the area with floodlights, and launched a small motorboat to search for the missing seaman.

Given Medical Treatment

At 10.10, the Japanese sailor was picked up by the Luzon's launch. Shitamoto was taken aboard the Luzon and placed under medical treatment.

Warrant Officer Shizuo Nagahara, who also was aboard the shuttle boat, immediately boarded the Luzon to tender thanks to the Americans for saving Shitamoto's life. Warrant Officer Nagahara then accompanied Shitamoto back to the shuttle vessel.

Immediately upon receipt of news of the incident, the Chief of the Japanese Naval Hydrographical Bureau in Shanghai called on Lieut.-Comm. G. M. Brooke, captain of the Luzon, to tender the Japanese Navy's official thanks for the prompt and kind action taken by the Luzon.

Chinese Manufacturers Hit by Export Ban

Aug. 11.

Recent orders issued by the Shanghai Customs Administration forbidding more than ten kinds of goods including machinery, cotton and cotton yarn and metals from being exported from Shanghai have seriously affected the entire Chinese trade in this city, it is revealed in the Chinese press. Many factories are said to be planning to move to the Chungking-controlled interior.

The Customs ban is said to have especially affected native goods manufacturers and it is admitted by the "National Herald" that their business is at a standstill. They are trying to curtail their production programme, some of them having stopped production in the evening. They are trying to depend solely on the local market.

South Seas Opportunity

It is said, however, that the ban will not stop all industries here, it being asserted that there are still many other goods on which no embargo has been laid. Hope is expressed that native goods manufacturers in Shanghai will look for help in the South Seas Islands where many overseas Chinese merchants are said to be constantly asking for native goods.

Recent Chinese reports also indicated that Chinese business men saw great trade possibilities in the South Seas Islands and that to realize their purpose they had decided to form a trade mission to be headed by Wang Siao-lai, chairman of the Chinese Chamber of Commerce in Shanghai, who has been staying in Hongkong.

THE Seward Road bridge was again closed by the Japanese authorities for ten minutes on August 10. All vehicular and pedestrian traffic was suspended there from 10.49 to 10.59 a.m. Although no reason was given, it was believed that the Japanese were carrying out searches in the district.

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Expulsion of Certain Jews From Hongkew Proposed

Aug. 6.

THE expulsion of a certain percentage of the Jewish refugee community in Japanese-controlled areas is being seriously studied at the present moment, stated Commander N. Hazama, the Navy spokesman, at the Japanese press conference yesterday. As a result of these investigations, he continued it is probable that some of the more undesirable characters will be expelled, although it is as yet uncertain when this will take place.

The underlying motive of this new step on the part of the Japanese authorities, Commander Hazama explained, was connected with the desire for the stabilization of living conditions in the Jewish refugee colony north of the Creek. It appears that quite a number of the refugees, mostly comprised of the undesirable element, entered Hongkew without the necessary permits and are said to be affecting the rentals and food-prices in the Jewish area. Fearing that discontent on the part of the lawful residents may lead to active disturbances between the two factors, thus further detracting from the peace and order of the Hongkew area, the Japanese authorities are seeking to preserve the welfare of the Jewish refugees by removing all undesirable characters, the Navy spokesman asserted.

No Measure of Force

He further stressed the fact that no measure of force will accompany the expulsions. "These will be carried out only through the initiative of the Jewish Residents Association," he stated.

Questioned as to where the undesirables will go after they have been expelled from Japanese-controlled areas, Commander Hazama replied that this point had not as yet been considered by the authorities.

Protest Delivered

News of impending Japanese action to weed out "undesirables" among the Jewish refugee community in Hongkew and Wayside has caused considerable alarm in that community, according to Mr. L. Sommer, editor of the "Far Eastern Commercial Telegraph" and a prominent refugee resident in Shanghai, who, yesterday, delivered a written protest to the Japanese authorities against the proposed action.

In an interview with a representative of the "North-China Daily News," Mr. Sommer pointed out that the proposed Japanese step had been foreshadowed by an article that had appeared in the "Shanghai Jewish Chronicle," in which it was stated that officials of the Japanese Naval Landing Party had invited some members of the Jewish refugee community, including Messrs. O. Levine, editor of the "Shanghai Jewish Chronicle," Mr. Weinberger, dismissed refugee camp chief, Wachner, Dr. Kardegt and Dr. Lessner, to act as a sub-committee to work with the Japanese Naval Landing Party in weeding out "undesirables."

In the article, Mr. Sommer went on, it was pointed out that Jewish refugees without permits to live in Hongkew would be deported immediately after investigations by the sub-committee, which would also report to the Japanese Naval Landing Party as to whether or not certain Jewish refugees were desirable.

S.M.C. Not Consulted

According to Mr. Sommer, who stated that he spoke on behalf of twelve to thirteen thousand Jewish and other refugees in Hongkew, the men who had been approached by the Japanese to form a sub-committee, were not entitled to represent the whole of the Hongkew refugee community. Most of them, he said, did not reside in Hongkew and, he added, they had not consulted other Jewish leaders.

Furthermore, the proposed Japanese action was illegal, Mr. Sommer stated, as there had been no approaches to the Shanghai Municipal Council—Hongkew being part of the International Settlement—nor had any appointed Jewish body in Shanghai been approached on the proposed Japanese action.

Mr. Sommer added that he felt such unilateral if carried out, would tend to increase tension in Shanghai.

Japanese Ban Fishing Boats Off Ningpo

Aug. 6.

In addition to granting the right of navigation to a Japanese firm, the Japanese authorities in Ningpo are forbidding fisher folk to fish along the Chekiang coast, thus causing a serious crisis in the fishing industry in the Chekiang district, state Chinese reports. The granting of a permit to a Japanese firm maintaining ships on regular runs between Shanghai and Ningpo was reported recently.

The fishing industry in Ningpo now amounts to about one tenth of what it was in the days when the district was still in the hands of the Chinese. Shanghai can hardly expect to obtain fish from Ningpo owing to communication difficulties and to the business setback, the reports assert.

All fishing organizations in Ningpo are said to have withdrawn following the Japanese occupation. The Japanese have blockaded riverlets and forbidden fishing boats to go to sea. Only a few out of about 1,500 fishing boats are being operated, it is said.

Mafoo and Ponies Killed

Aug. 11.

A Chinese mafoo and two ponies were electrocuted and killed almost instantly while two foreigners out for an early morning ride narrowly escaped a similar fate and emerged with severe shocks in the Hungjao area yesterday. The pony the mafoo was riding was ahead of the others on Hungjao Road and accidentally got into contact with a telephone wire which had blown down during the recent typhoon.

The foreigners who were Miss Siemssen and Mr. E. Schuster, witnessed the accident the mafoo riding in front of them. His pony slipped and faltered. The rider was thrown off and fell underneath the pony.

Miss Siemssen immediately dismounted and was attempting to save the mafoo when her pony backed and hit a live wire and was killed instantly. It was ascertained that the mafoo's pony and its rider had come into contact with the wire and were killed. Miss Siemssen and Mr. Schuster sustained severe shocks.

Enquiries made elicited that the wire was a military telephone which had either fallen or been blown down by the typhoon and in falling had crossed a cable of the Power Company.

As the live wire hanging across the road presented a serious menace to pedestrians and others, the Power Company when informed of the occurrence immediately sent workers to the scene to remove the danger. The men made a thorough search in the vicinity and neighbourhood to ascertain if other live wires were not lying around. The mafoo was conveyed to a Chinese hospital in an emergency ambulance and was certified to be dead upon arrival.

An inspector of the Shanghai Society for the Prevention of Cruelty to Animals also went to the scene of the tragedy and arranged for the disposal of the ponies. Miss Siemssen and her companion returned home none the worse for their harrowing experience.

Five Hurt as Grenade Explodes in Shop

Aug. 7.

Five male assistants of the Pao Dah Chang cloth shop at 16 Rue Kraetzer were wounded at 4 p.m. yesterday when an unidentified terrorist threw a hand grenade into the premises and escaped on a bicycle before the arrival of the police.

Police believed that the crime had been inspired by the desire of a gang of racketeers to intimidate the shop owner, and to force him to pay them "protection" money.

The crime, committed in an area densely populated and in the vicinity of a police post, caused an uproar as people scurried for safety. The description of the man could not be ascertained, except for the fact that he appeared to be of a coolie class.

Shop Almost Empty

The shop, at the time of the explosion of the missile, was almost empty but for the assistants and this explained why only the five employees sustained injuries. An ambulance was called out and the victims were conveyed to hospital, where the condition of one was said to be serious. The four others escaped lightly.

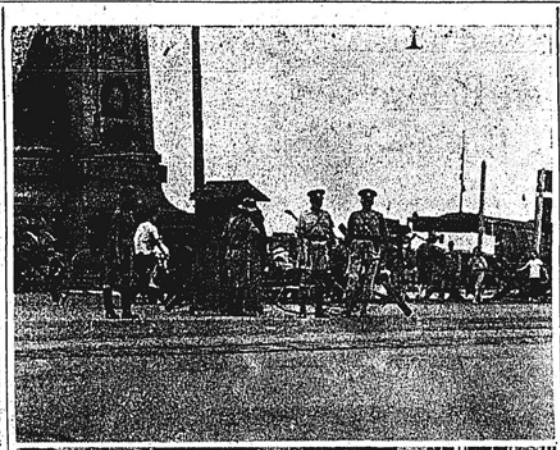
Uniformed police and detectives were on the spot within a few minutes after the explosion, but no traces whatever could be found of the terrorist. Investigations are being continued.

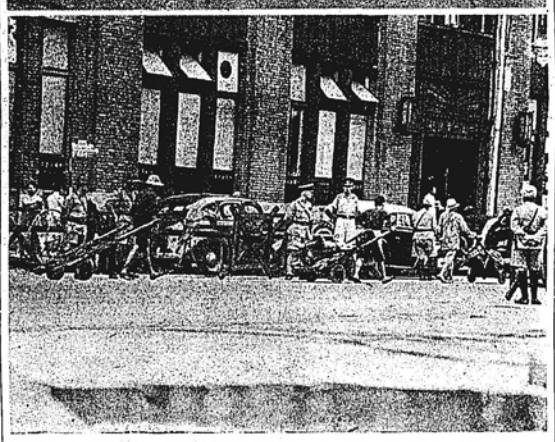
Kidnappers Take Baby From Amah's Arms

Aug. 6.

Six kidnappers, three of whom were armed, snatched a 10-month old baby boy from his amah at about 8.30 p.m. yesterday when the woman servant was carrying the baby in her arms outside their house at 1500 Jessfield Road. Instead of driving away their victim in a car, the kidnappers merely ran away and when the amah notified Kiang Yung-chuen, proprietor of an iron workshop and father of the boy, the abductors had disappeared before the Western District Special Police could give any help.

Ho Chu-kwang, proprietor of a weaving factory at 20 Ningpo Road, who was kidnapped in Kwangfu Road Chapel, on Monday morning had not been released by his kidnappers late last night. He was kidnapped just after he had alighted from his car in front of his factory in Chapel starting his trip from his Settlement office. Three gunmen forced him into a waiting car and drove him to an unknown destination.





"N.C.D.N." Photos.

Precautionary Measures for Anniversary

Extra police posts were instituted in the International Settlement on Aug. 9 to avert any untoward incidents during the fourth anniversary of the commencement of Sino-Japanese hostilities in Shanghai. The top photo shows a police barricade at the corner of the Bund and Avenue Edward VII. while the lower depicts a barbed wire barrier on Szechuen Road.

Local Industries Hard Hit

Aug. 6.

THE recent announcement of policies here which may have the effect of limiting the imports of raw materials and prevent the export of a range of goods has injected considerable uncertainty into the local industrial outlook, according to the July survey of the economic situation in local enterprises undertaken by the Industrial and Social Division of the Shanghai Municipal Council. Extracts from the July report of the Division follow :—

"Industry has survived destruction due to hostilities: adjusted itself successively to dependence on foreign sources for raw materials at costs tied to falling exchange values of the Chinese dollar: faced effects of blockades and limitation of available power supply: met rising operation costs due to increased costs of living: and sought export licences for raw materials from the United States. In general, so long as markets held, industry could operate. The prospects in certain industries are now not bright.

Industries Affected

"The cotton spinning industry continued to operate at approximately the pace of recent months during July. There was some reduction in output in weaving plants, while dyeing plants, due to seasonal factors, operated only at some 40 per cent capacity. Because of shortage of raw materials, the enamel-ware industry worked only at 20 per cent normal output. Paper and paper products plants have reduced operations by one third to meet power limitations. Cigarette plants are working short time, as is frequently the case in the summer. An oil mill is reducing its workers to one fourth normal complement. One silk filature only is working. Silk spinning plants have raw material for three months. Some enterprise recently have found it more profitable to speculate in the handling of metals than to process them into machinery. Several plants in various industries have closed down, paying off their workers.

Industrial Disputes

"Four strikes and eight cases of unrest were mediated by the Division in July. Eight concerned questions of wages and allowances, three dismissals, and one employment relations. The strikes involved four establishments and 1 054 workers: and disputes in 11 establishments involving 2,851 workers.

Child Protection

"Progress has been made during the last four months in working out the place of administration in home finding and adoption. A successful meeting of adoptive parents and their children, 102 in all attending, was held in June, when happy children from 31 homes were brought. Parents were made to feel the social value of their providing homes for children.

"Several children were placed in adoptive homes with the approval of the Division in July. Five were boys, two girls. Three homes desired children to inherit the family name and property, one sought by taking a child to give it opportunity, and two desired children for family happiness.

"Children are placed in adoptive homes with a six months' probation period. The majority if adopted at an early age adjust happily and successfully into their new homes.

Chinese Injured in Factory Fire

Aug. 7.

A fire at a plywood box factory at 685/43 Gordon Road at 10.35 a.m. yesterday claimed another victim when one of the workers sustained serious burns to his hands and left leg. The unfortunate man was conveyed to the Paulun Hospital in an S.F.B. emergency ambulance.

The fire broke out at about 10.30 a.m. when celluloid paint got ignited by a workman's cigarette. A call was put through to the Ichang Road station and firemen arrived at the scene, putting the blaze out within 24 minutes. Slight damage was caused by the fire.

Rice Merchant Kidnapped

Aug. 12.

Mr. Chen Ling-yung, proprietor of Ling Tai rice shop in Brenan Road, yesterday was kidnapped from the shop premises by six armed men. The crime occurred at 12.45 p.m. when the gangsters arrived at the shop in a taxi bearing licence 18074 and entered the shop.

Once inside, the kidnappers held up the assistants and dragged their victim out, forcing him to enter the taxi. The vehicle was then driven toward Jessfield Park. No political significance is attached to the kidnapping.

Police Take Steps On Anniversary

Aug. 10.

The fourth anniversary of the shooting of a Japanese officer and seaman near the Aerodrome on Hungjao Road passed quietly yesterday as extra police posts and search parties were detailed to keep law and order in the International Settlement. Barbed wire barricades were erected on minor thoroughfares leading to the boundaries in the Settlement and several bridges over Soochow Creek were closed.

In the French Concession no change was noticed, but it is expected that similar precautionary measures, such as those taken in the Settlement, will be carried out during the next few days.

Barbed wire barricades in the Settlement were erected on Avenue Edward VII where several roads, including Kiangse Road, were completely isolated. Other roads were partly closed and strong details of police, including members of the Russian Auxiliary Detachment, were on duty. Search parties operated throughout the day. Curfew was enforced rigidly from 12.30 a.m. yesterday.

The Shanghai Volunteer Corps and Police Specials will be cooperating in keeping the city clear of all incidents, while west of Yu Ya Ching Road, patrol duties will be carried out by American Marines. In the French Concession, French troops will cooperate with police.

It is not known whether the Japanese authorities will undertake any steps in the controlled area north of the Soochow Creek, but no searches or additional patrols were noted in Hongkew yesterday.

All Quiet

Aug. 11.

With practically the entire Shanghai Municipal Police mobilized to meet any untoward incidents that may break out during August anniversary period, from August 9 to 14, the city experienced another quiet day yesterday, with no armed crimes reported up to 4 p.m.

Barricaded streets and bridges pointed out to the completeness with which the S.M.P. were carrying out the precautions, numerous minor thoroughfares leading to the boundaries of the Settlement being entirely isolated. This measure is even being applied to Kiangse Road where the barbed wire barricades have been erected in a manner as to allow trolley-buses to turn back.

The French Concession, on the other hand, has so far taken no steps in connection with the approaching of the anniversary. No extra barricades have been put up and no extra patrols and search parties have been seen to be operating in the area. These, however, are expected to be undertaken in time for the anniversary of the commencement of Sino-Japanese hostilities here.

S.V.C. Patrols Seen

The Settlement police have called upon the Specials and the Russian Auxiliary Detachment and members of this unit have been detailed to various posts along the Bund, North Soochow Road and Avenue Edward VII. The Shanghai Volunteer Corps is also co-operating with the S.M.P. and armed lorry patrols have been carrying out duties in the sector.

No special activities by the Japanese authorities in the north of the Soochow Creek areas have been noticed, although now and then a lorry, full of soldiers with their bayonets fixed, is heard rumbling along the streets. It is difficult to say whether stricter searches by the Japanese have been instituted since Chinese at times are searched thoroughly when entering Hongkew, while on different occasions they are allowed to pass without being subjected to the procedure.

Rigid enforcement of curfew could also be noticed on Saturday and yesterday when fewer people were seen in the streets after the specified hour. In Hongkew and Wayside, however, this rule does not apply and people are seen as usual at all times of the night.

British Refused Money In Nanking

Aug. 12.

It was reported by the "China Evening News" last night that the Nanking branch of the Yokohama Specie Bank had refused to allow the British and Americans living in Nanking to withdraw their deposits in Chinese currency. A certain British merchant had $500,000 deposited with the bank but he was not allowed to take the money out, it was said. Fears were said to have been entertained by British and American business men that the new regime might adopt the same policy as the Japanese in retaliation against the British and American freezing orders.

The health report of the French Municipality for the week ending August 9, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Concession was —Foreigners 8 and Chinese 219. Deaths from notifiable diseases were—Foreigners, typhoid fever and tuberculosis one each, Chinese, tuberculosis 32; typhoid and paratyphoid fever 21; dysentery 9; pneumonia 3; beri-beri 3 and cerebrospinal meningitis one.

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SHANGHAI NEWS (continued)

Late Spurt Needed Before £200,000 Goal Is Reached

Aug. 9.

THE next six days will see whether the united efforts of Britons and their allies in China can achieve the £200,000 goal by August 15 in their contributions to the Voluntary War Contribution Fund—and thus permit a remittance to be made to H. M. Treasury for the purchase of aeroplanes for the second China British Squadron. Hopes are still bright that the £200,000 figure can be attained but it will mean that some £9,000 will have to be pouring in during this short period of six days.

Contributions which have been made since August 15, 1940, now stand at approximately £91,000 and no finer observance could be made of the first birthday of the V.W.F. than the realization of the latest goal, made all the more worthy because it is not an easy one.

£9000 Since July 15

Supporters of the Fund have contributed over £9,000 since July 15. Intending contributors who have not yet sent in their sums will now have an opportunity of joining in the last spurt to push the figure past the £200,000 mark and it is hoped that when the next list of contributions is published the battle-cry will be: "On £300,000!"

All contributions should be sent to the Hongkong and Shanghai Banking Corporation or to the Chartered Bank for account of the Voluntary War Contribution Fund.

Following are the statement of accounts and the latest list of contributions, including those received up to August 7:—

DOLLAR ACCOUNT

Subscriptions received since last list	$168.161.99
Transferred to Sterling since last list	$168.161.99
	Nil

STERLING ACCOUNT

Balance brought forward	£6,815. 0. 3
Subscriptions received since last list	£ 879.14. 6
Transferred from $ a/c since last list	£2,163. 1.10
Balance carried forward	£9,857.16. 7

STERLING

Royal Naval Reserve	£5
Peking Contributions	13
Mr/Mrs. H. M. Hind	50
Hankow Contribution	149
Mr/Mrs. J. Robertson	5
Mr/Mrs. J. M. D. Hoste	2
Mr/Mrs. Wm. Alston Turnbull	5
Mr/Mrs. A. H. Aiers	10
Mr/Mrs. N. McMillan	1
Canton Remittance	148
Pekin Remittance	102
Mr/Mrs. J. L. Bowker	5
Mr/Mrs. V. G. Bowden	10
Drakeford, Davis/Wilson	20
Paper Co. Van Reekum (S'hai) Ltd.	5
Residents of Swatow	67

E. L. G. Arnold	5
W. V. K. Chadwick	2
G. F. Dumbarton	2
F. C. Duval	1
Capt. R. Cordy	5
A. H. H.	4
G. H. Outhwaite	2
B. D. M.	2
F. R. Ray	2
A. C. Sinclair	2
M. Voigt	7
L. A. Whipps	1
Anonymous	1
Anonymous	25
A. H. A.	5
G. W. Tolmie	10
P. M. Rosser	7
Anonymous	5
John Andrew	1
Anonymous	20
H. C.	2
A. Wood	5
J. Ballard	10
L.	5
S. Tweedie	5
H. Heathcote	2
W. C. Cassels	20
Anonymous	3
V. Rose	5
E. G. Woodford	2
L. C. Blanks	5
R. V. Thomas	10
Miss M. Peckham	2
H. A. Shaw	2
N. H. Lacey	10
R. T. W. Howell	1
Anonymous	10
Anonymous	10
J. K. Brand	5
D. M.	10
S. W. Wolfe	10
S. Flemons	10
E. S. Booth	5
A. Rex Brayne	10
D. M. R.	10

CHINESE DOLLARS

Miss E. M. Adlam	$200
Miss P. M. Bourne	125
Mr/Mrs. Gordon Brown	125
Mr/Mrs. J. B. Brown	400
A. H. Chamberlain	100
N.W.B. and D.M.C.	250
Mr/Mrs. P. Comery	100
Mr/Mrs. B. H. Fookes	100
Miss S. M. D. Fredericks	300
Mrs. D. J. L. Cumming	100
Mrs. M. E. Hill	50
W. A. B. Gardener	400
Miss E. M. Hinder	200
Miss D. Hodgson	200
Mrs. E. M. Hoffman	10
Dr. Ivor E. G. Hunter	450
Marjorie & John Huxley	10
Mr/Mrs. R. G. Hargraves	50
Miss D. P. Latimer	50
N. Lazarus & Co.	50
D. A. Macfarlane	100
Mr/Mrs. Iver Mackay	100
Mr/Mrs. H. H. Miller	15
Mr/Mrs. E. F. Mulvey	50
Mr/Mrs. I. C. M. Pemberton	300
Mrs. A. M. Piquet	100
Miss Y. Pollock	150
Joan & Virginia	50
Mrs. F. Saphiere	10
E. A. Hurlstone-Piper	100
Mr/Mrs. S. J. Smith	30
Dr/Mrs. F. T. Ranson	1,000
Miss J. A. Rielley	15
E. Samson &/orMrs. L. M. Samson	2,000
Miss F. M. Wilson	20
Mr. and Mrs. R. G. Woodhead	300
G. R. G. Worcester	300
Mr. and Mrs. W. J. Ward	100
Miss A. Manning	200
H. E. Greenfield	40
Sale of Chinese Book per W. S. Bungey	50
Miss L. Remedios	5
The Junior Members of the China Printing and Finishing Co., Ltd. Cotton Mill, Pootung	130
Jas. A. Gray & Co.	1,000
Mr. and Mrs. S. W. Levy	100
V. A. H. Gunther	30
In Loving memory of Allan from Uncle, Aunt and Emma	100
Mr. and Mrs. W. O. Barrington	190
In memory of Margaret Sutherland from Mr/Mrs. S. C. Riggs and Kathleen	100
Mr. and Mrs. L. C. Boyd	100

Isaac Benjamin	$10
Mr. and Mrs. R. D. K. Silby	1,000
Mr. and Mrs. S. E. Feasey	300
Mr. and Mrs. A. Pratt	100
A. F. T. Holland	50
H. G. and O. M. Biggs	100
S. C. R. Poker Party	70
J. R. Mothersill	700
Crick and Mac Cricket Bet	30
R. J. S. Henington	100
K. W. Johnstone	2,300
Mr. Pribaksh and N. Swansi	20
Mrs. M. H. Ezra of Cobham, England per David Sassoon & Co., Ltd.	5,000
Mrs. Sara Shellim of Hove, Sussex per David Sassoon & Co., Ltd.	1,500
David Sassoon & Co., Ltd.	600
Miss Militza Varndell	20
Mr. and Mrs. T. E. W.	40
Mr. and Mrs. G. S. Dovey	150
D. H. Benjamin & Sons Storage Ltd.	200
Mrs. M. V. Nordling	10
Shanghai Club Members Voluntary Tax	941
Mr. and Mrs. Harold G. B. Perry	100
Mrs. J. M. L. Allen	50
Four Non-British Jews	80
N. J. Karanjia	100

H. A.	60
Mrs. B. Alinge	15
Anonymous	150
1066	50
D. F. Beare	100
Mrs. K. L. Bird	50
C. N. Chand	20
W. C. B.	150
J. T. W. B.	100
G. M. B.	40
J. T. Buckley	40
Mrs. N. Armes	15
A. M. Cobbett	75
H. A. Crickmer	100
J. Day	75
R. V. Dodd	15
H. H. Dye	100
D. L. Evamy	50
Rye Sussex	20
A. R. Forsyth	60
J. C. Conder	20
Anonymous	1,000
Lone Wolf	120
N. Greenberg	100
B. J. W. Grimes	100
Anonymous	100
F. X. G.	25
Anonymous	50
B. H.	350
A. E. Howkins	100
Anonymous	50
F. A. Inglis	40
E. J.	200
G. W. Jenssen	10
L. D. Jones	150
S. J. Hicks	200
Mary Mac	50
Anonymous	200
T. H. Gillett	100
J. Linford	100
L. H. T.	75
Madge Pringle	100
R. Manly-Allatt	10
W. W.	10
Capt. A. Watson	50
H. E. W.	40
H. W. Welman	20
Norman White	50
T. S. Whitfield	30
W. Whiting	100
C. C. W. Willson	400
Goo Goo	70
L. F. S.	50
J. G. W.	10
NOBS 5650	100
R. J. T.	200
J. A. Tibble	25
Anonymous	200
Dr. H. Lehrman	10
Croquignol	150
R. V. C.	10
Anonymous	250
G. H. Gompertz	500
C. P. S.	25
Just A Bet	10
S. Y. David	70
A. Parkhill	500
F. M. Ide	200
O. G. R. Beynon	30
G. J. Valentine	25
L. Green	25
N. H. Price	150
W. Hamilton	400
Nagai	100
R. F. S.	100
W. Grant	105
L. A. E. M.	30
R. Middleton	165
J. Miller	30
J. & J	50
J. W. Morcher	250
J. M. M.	50
R. T. Oates	60
E. P. Oliver	250
E. I. Owen	250
J. S. Page	100
Shinkuang	30
E. H. Muton	150
E. J. Palmer	50
J. M. C. Lopes	10
Anonymous	800
Anonymous	180
John Pickering	100
F. W. P.	100
G. Pollak	10
W. A. Powell	250
A Welshman	1,000
G. D. R.	50
E. F. R.	200
J. W. Ridley	50
J. Rothwell	25
A. V. Sennitt	80
Ex R.F.C.	100
C. Pratt	50
O. Sidebotham	75
C. H. Stableford	150
G. Stevenson	75
J. M. Pearson	100
Anonymous	250
Mrs. E. Stockwell	5
Restalrig	25
Dorset	50
H. Stott	120
T. Symons	15
Rolbert	10
S. O. Thorley	100
Anonymous	20
G. H. Tucker	75
Felix	200
R. Morgan	150
J. Ward	20
A. E. Taylor	30
R. C. Umrigar	15
Mrs. D. Brook	40
A. P. Mohideen	10
Y. T. Barma	25
H. C. Umrigar	25
H. B. Lobb	100
E. A. Toeg	100
C. A. Pratt	100
H. O. White	1,000
J. H. Leon	30
D. Aronovsky	100
Anonymous	100
W. Hamilton	400
D. Keating	500
Peter	30
A. S.	100
W. Le Brun	40
S. F. B. Mess	300
T. H. T.	5
D. Gibson	250
W. N. Dickson	150
P. W. Bennett	100
Anonymous	5
R. C. T.	20
F. J. T. Savage	150
W. M. McLennan	500
S. A. Young	20
M. Menahem	20
A. Rodda	15

Proceeds from a bet on Moscow	7
Some Members of the Staff of The Asiatic Petroleum Co. (N.C.) Ltd.	8,835
Directors and Staff of Arnhold Trading Co., Shanghai July Contribution	3,517
China Cotton Mills Ltd.	10,000
Sale of a pistol—M.M.	900
Mrs. E. M. Newton	60
Miss H. M. Sennett	10
Mrs. A. G. Bridge	100
Miss E. P. Daniell	50
Mr/Mrs. G. S. Dunkley	500
Mrs. & Mrs. J. O. Pote-Hunt	1,000
Miss Kathleen Fenton	250
Mr. & Mrs. Alexander Hurry	40
C. J. Powell—Hongkong	360
J. J. da Silva Souza	25
Mrs. J. Broderick	20
Miss I. B. Scott	30
Miss M. G. Scott	25
Miss Edith Holmes	50
Miss G. C. Jack	10
Mrs. A. B. Westwood	20
Miss R. Stanley	150
Mrs. Flora Moses	50
Abdoolally Ebrahim & Co.	200
Mr. & Mrs. G. E. Clarke	25
C. W. Cunningham	10
Mr. & Mrs. R. B. Gotch	400
Mr. & Mrs. H. Maitland	500
Miss S. A. Mallek	5
Mr. & Mrs. Norman James Barr	150
Mrs. I. M. MacKenzie	100
B. Percy Dillon	25
Arthur J. Payne	25
S. Moutrie & Co., Ltd.	7,500
Mr. & Mrs. V. M. Collaco	25
Mr. & Mrs. E. W. Turnbull	100
Miss Georgina A. Fuller	20
Miss M. C. Dunstan	20
Miss M. Johnstone	20
Mr. & Mrs. C. W. Porter	300
A. J. M. d'Azevedo	50
Miss W. M. Penfold	20

C/W Open Rinks	$100
Miss E. Fairley	50
Mr. & Mrs. A. Hillaly	200
H. S. W. Staley	20
Mr. & Mrs. N. M. Nissim	100
Mr. & Mrs. N. F. Nissim	100
Miss E. Burgoyne	5
Miss M. Howells	10
Mr. & Mrs. Lloyd Bland	1,000
Dr. J. D. Riddell	200
Mr. & Mrs. E. S. Elliston	500
A. P. D. Kennedy	200
Mr. & Mrs. W. C. Gomersall	2,000
Leonard A. Street	200
Mr. & Mrs. Frank H. B. Harmon	40
F. Viccajee & Co., Ltd.	250
Rutton Viccajee	100
Miss A. S. M. Alexander	110
Mr. & Mrs. E. A. A.	40
Miss E. M. Blake	100
Dr. J. E. Bowen	250
Mr. & Mrs. G. E. Brockett	50
H. Brownlow, Jr.	10
Mr. & Mrs. R. K. Burns	155
Miss P. L. Cassels	100
D. F. C. Cleland	350
W. C. G. Clifford	150
Miss E. M. da Costa	5
Miss J. R. Darroch	60
Miss M. G. Darroch	100
Master R. Davison	10
Miss M. C. Dunstan	20
Mr. & Mrs. W. R. Featherstonhaugh	30
Mr. & Mrs. L. E. Fisher	250
Mr. & Mrs. H. V. Gulston	100
Mr. & Mrs. F. T. Harrop	40
Mr. & Mrs. J. D. A. Hutchison	150
Miss M. Johnstone	40
Mr. & Mrs. G. F. Jones	20
L. Chadwick-Kew	20
Miss M. A. Leathers	15
Fortitudine & Prudentia	100
Rev. P. C. Matthews	200
Mr. & Mrs. F. McLennan	75
Mr. & Mrs. F. C. McPherson	20
Model Dairy Farm	25
Miss G. D. S. Parker	50
Mr. & Mrs. A. F. Parsons	50
G. G. and E. Patterson	30
Miss J. A. Penfold	20
Miss L. W. Perkins	20
Mr. & Mrs. H. W. Pilcher	25
Mr. & Mrs. C. W. Porter	700
Mr. & Mrs. R. Shellswell	30
Mr. & Mrs. A. de C. Sowerby	100
Mr. & Mrs. R. A. Thomas	25
Mrs. A. E. Trueman	50
Mr. & Mrs. T. H. Walker	75
Mr. & Mrs. T. Walmsley	50
Ethel and Frank Ward	150
E. S. Wilkinson, C.B.E.	100
Mr. & Mrs. H. Wright	25
Gordon Morriss	5,000
Miss F. H. Calder	50
Mr. & Mrs. John Malcolm	130
Shanghai Worsted Mill Ltd.	10,000
In memory of Clinton Smith: Mrs. Norah M. Harris	20
Miss M. G. Scott	100
Mr. & Mrs. W. P. Rial	250
George Pollock	1,000
Miss A. B. Roberts	60
In memory of Lance F. F. Fearon —Dick	10
Thomas Murphy	100
Miss Regina Joseph	1,000
Members of the Staff of The Shanghai and Hongkew Wharf Co., Ltd.	209

E. Rose	50
Anonymous	100
W. S. H. Fuller	100
Dr. Philippson	10
A. Cheetham	200
W. G. Mather	300
H. Hill	100
A. Friend	100
Arthur Lingard	150
B. S.	10
F. J. Knightly	150
J. E. E. Bridge	50
Miss E. Gillan	50
R. Plattner	250
A. V. B.	50
J. M. de Silva	20
J. S. Flood	250
G. Danson	200
B. P. Mehta	100
W. Naughton	100
D. Webb	400
G. J. Wells	100
A. S. Ahmed	20
Anonymous	10,000
J. B.	15
Miss E. Winther	10
Straight Flush	261
G. C. Thompson	10
John S. Barr	20
X	2,250
A. C. Groves	300
A. R. Davies	10
P. A. Emery	100
J. D. Jones	30
A. Woods	1,000
Anonymous	20
A. H. Merriles	200
H. Morgan	25
E. Bathurst	22
Chas H. Bailey	15
E. L.	10
E. C. Robinson	100
B. A. Shirazee	20
J. P. Hawes	30
J. Everleigh	100
Wm. T. Cromby	150
A. Harman	1,000
Wm. Brandt	500
M. C.	100
L. H. Thorn	350
Anonymous	1,062
M. H. K.	200
Sale of shoes	10
Anonymous	100
A. Jones	100
A. McLean	100
H. A. Meyer	250
W. Marsay	200
P. Symons	100
P. E. Longden	30
Poor Fish	10
G. E. Barker	50
R. Brandt	50
P. S. Page	50
J. M. Mehta	50
F. W. Cochrane	200
N. David	25
H. R. Harling	100
C. L. Oliphant	100
Anonymous	200
R. A. Jones	150
R. A. Black	70
A.P. Simoes	25
W.J. Roper	150
F. S. Gibbings	250
B. R. Viccajee	25
J. P. S.	50
G. F.C.	100
R. D. B. U.	100
G's	100
C. Madar	50
W. E. Abbott	250
J. H. Abraham	50
G. L. Aitchison	250
Bluenose	150
W.A. Artlett	40
P. J. Austin	50
J. M. Bailey	40
H. F. Baker	25
Tim	500
H. S. Bartley	70
E. Bathurst	150
W. B.	300
D. B.	60
A. H. Bown	100
A. D. Box	100
G. A. Browne	25
H. Brownlow	50
S. Brownlow	10
A. W. Buck	225
Anonymous	300
K. H. Shroff	10
P. N. Karanjia	25
H. J. Hunt	50
Stella Roberts	10
Gloria Roberts	10
Frankie Roberts	10
Anonymous	5
Anonymous	10
Reginald Kay	250
R. K. Butler	500
J. A. Turner	500
A. G. Pereira	5
P. W. Massey	250
R. T. Hamilton	75
Arthur Green	100
G. H. Purcell	300
E. K.	25
V.	50
W. C. Henry	200
L. F. Lopes	25
H. M. Parsons	20
Anonymous "P"	500
Anonymous "R"	150
G. L. Andrew	200
L. J. Lopes	50
C. S. Gubbay	1.000
Anonymous	1,000
Anonymous	500
Leonard Corner	50
Anonymous	25
Henry Ellis	40
S. J. H.	100
F. X. Lopes	5
S. M. Charna	20
A. Razaq	25
Birdie	100
O.C.K.	100
P. B. McNeill	250
F. R. B.	320
T. C. Malcolm	150
B. C. Allan	300
Mrs. E. Noud	25
J. T. I.	100
S. David	250
Kim	20
Anonymous	150
Kubs	50
J. A. Kirkbride	50
H. Kobrin	50
Anonymous	100
Anonymous	50
L.	380
R. Lock	750
C. D. Longhurst	500
Mr. & Mrs. N. M	250
Anonymous	100
N. MacKintosh	25
A. J. Maitland	25
G. H. Mann	120
Rev. K. W. May	50
G. E. O. Mayne	100
Anonymous	100
W. A. McDonald	500
F. M. M.	50
J. M. McKee	50
K. McKelvie	25
D. M.	100
J. Mck.	200
W. Miles	30
M. F. M.	25
D. G. Mirams	150
M. P.	500
D. Morison	500
H. N. Muir	100
R. E. Nash	10
Anonymous	100
M. O'Halloran	15
J. C. O'Kane	100
R. H. O.	75
P.	20
A. Parr	80
A. S. O. P	150
S. P.	100
Mrs. May Pecaric	25
P. N. V. P.	10
N. P.	15
S. M. Perry	25
G. Puncheon	140
C. A. P.	50
A. S. R.	10
J. C. P.	200
D.R.	100
Mary	50
A. R.	300
D. R.	10
W. H. Richardson	50
I. R.	20
Anonymous	5
Anonymous	200
D. M. R.	75
R. S. R.	50
Anonymous	50

Lord Mayor Sends Thanks to C.B.W.F.

Aug. 8.

It may be true that every contributor to the Central British War Fund feels that it is he in his ability to give rather than the recipient of his gift who is privileged. But it is also true that gracious expression of thanks and kind acknowledgment of effort is always appreciated and always a spur to further generosity and sacrifice.

Nobody could have been more punctilious or generous in his acknowledgement of remittances to his National Air Raid Distress Fund than the Lord Mayor of London. His telegrams and letters have been published in the press from time to time. Below is another telegram, dated July 23, addressed to the Secretary of the Central British War Fund, and associated not with a particular remittance but rather with the promise of Shanghia's continued support.

"YOUR LETTER 12 MAY DEEPLY ARPPECIATED AND I THANK YOU MOST SINCERELY FOR THE SPLENDID SUPPORT YOUR FUND IS GIVING US IN HOUR OF NEED.

Lord Mayor London"

The letter to which the Lord Mayor refers was in confirmation of April and May remittances and ran as follows:—

Letter to Lord Mayor

"Since our March remittance was confirmed by letter dated March 18 we have been privileged to remit £1,000 in April and this month (by telegram of May 10) £3,500 to your Air Raid Distress Fund.

"I wish to thank you on behalf of our Committee for the telegrams and letters of acknowledgment you have sent. These continue to be of great encouragement to us.

"We continue to regard the cause to which your fund is devoted as of the greatest urgency and importance and hope to continue sending useful contributions as long as the urgency remains. During April our collections were well over the level of recent months and it has given us great satisfaction to remit a larger sum than in any month since September last year when we began marking our remittances for 'Air Raid Relief'."

More Money Needed

The Lord Mayor's telegram serves to emphasize what is obvious to anyone perusing files of the Central British War Fund, that is that the War Organizations and the people at home value the loyalty and sympathy of their kin and friends abroad apart from the actual sums of money by which they are expressed. But, as Mr. Harry Hopkins has quoted President Roosevelt as having realised, "expressions of goodwill.... sympathy....admiration are not enough"; they must be backed by concrete help and that means, in Shanghai, by money and yet more money.

C. S. C.	100
A. G. Chapman	50
A. Clement	200
L. V. Coates	10
E. T. Collin	30
H. C.	100
Con.	100
W. G. Cook	10
R. B. C.	10
J. E. C.	20
A. V. C.	10
F. S. C.	125
Anonymous	100
K. M. Cumming	500
Miss B. M. Daly	50
Miss E. Danson	50
Goo-Goo	60
Anonymous	50
E. G. Davis	70
M. A. D.	40
Henry Deeks	50
R. V. Dent	25
R. Dudley	20
W. A. D.	10
J. W. Ephgrave	50
E. B. F.	80
S. F.	20
A. F.	35
C. F.	50
H. Finnigan	30
J. L. Fletcher	25
G. Flynn	100
M. E. F.	15
Scotty	100
J. J. Gaffney	50
Kerry	20
F. Gilbert	20
S. G.	50
F. W. Green	100
Anonymous	200
Anonymous	50
Bill	140
Anonymous	150
Miss Cecilia Haas	10
Thomas Henry	20
Miss F. I. Harris	120
W. J. Hawkings	200
J.W.H., C.N.Co.	100
S. V. Heley	35
W. H. Helm	20
Mrs. E. M. Hicks	30
C. L. H.	90
A. L. Honnor	200
W. H.	50
J. W. Pote-Hunt	100
J. T. I.	100
Seaburn	40
N. S. Jacobs	30
Mrs. G. Jarvis	25
D. G. Jones	25
J. H. J.	800
Liberty	1,000
Freedom	1,000
D. J. K.	70
Anonymous	20
Anon	10
Miss F. E. Kelly	20
Miss S. S. Kelsy	10
J. Kettlewell	250
W. H. Sainton	200
Miss G. Santler	10
Cruiser	120
Duncan	20
Anonymous	60
W. G. S.	30
R. S. Somers	20
T. Spilkins	50
S. B. Starling	60
P. J. S.	25
G. B. Stormes	50
C. V. Syms	25
G. T.	50
E. O. Taunton	300
C. L. T.	25
M. T.	20
A. C. S. T.	100
R. C. T.	100
H. Walton	50
M. W.	60
W. Wanderleach	100
K. W.	400
Rossweir	50
Ulsterman	200
A. V. White	500
G. H. W.	25
A. B. Wilkinson	130
J. Withers	25
E. A. P.	250
Anonymous	400
R. Patton	250
K. F. Shroff	25
S. F. Shroff	50
J. C. Burgess	40
Margery	20
T. Brennan	30
Mrs. J. Hyatt	25
R. Batty	30
W. W. M.	500
A. P. S.	100
A. and E.	300
M. Boniface	400
E. M. Stirling	20
F. B. M.	30
W. T. B.	100
A. E. Harvey	200
B. D. Tata	500
F. P. Perry	300
O. A. N.	5
H. F. Baker	100
Anonymous	50
A. E. F.	5,000
D. A. Campbell	400
A lost bet	5
M. J. Nathan	100
A. S. Grimpel	10
S. E. Sassoon	10
J. A. Leon	5
Mrs. N. Vida	10
E. H. Shibbeth	50
M. D.	30
H. Kl.	5
E. and D. M.	200
J. M. E. Lopes	10
A. H. Parker	20
J. W. W. Tulloch	20
H. G. Huckstep	200
J. T. Inch	200

Some Members of The Shanghai Gas Co. Staff:

3 British Members	30
W. J. Brown	300
D. H. Davidson	33
A. Graham	50
G. Sadler	64
J. K. Simpson	524
C. H. Theobald	41
T. Watson	130
T. H. Wood	85

In memory of Miss M. M. Sutherland:

Connie & Fannie Hayward	20
Mrs. K. D. Hepburn	25
N.	200

Central War Fund Remits Sums to Disabled Sailors

Aug. 9.

As the phases of the war developed, so the urgency of the many claims on the generosity of the British people and their friends changed in degree. Comforts for troops gave way to parcels for prisoners of war. The appeal of the Red Cross was merged in the greater appeal of Air Raid Relief. Material gifts to the men serving in H.M. ships and the Merchant Navy are now unfortunately taking second place in importance to the care of and provision for the men disabled in the sea services and for the dependants of those who have given their lives.

To this latter cause is devoted the War Fund of King George's Fund for Sailors. Wherever distress exists and calls for immediate relief King George's Fund distributes money at its disposal working through 50 or more societies and associations competent to deal with the individual cases. Always the money is allotted to be spent and not to be invested for endowment purposes.

Money for Merchant Marine

The Central British War Fund when contributing for the supply of comforts to the men of the sea services has remitted to the Navy League, earmarking contributions as desired. During the periods November, 1939, to October, 1940 and November 1940 to July of this year £7,053 and £1,205 have been remitted to the Navy League. When contributing for the help of the disabled and the dependants of the killed, the Central British War Fund has remitted to King George's Fund for Sailors.

June 1940	£500	General Purposes
May-July 1941	£1,750	Merchant Marine Interests
	771	Royal Navy Interests
	£3,021	

In acknowledgment of the May remittance of £1,000 for Merchant Marine Interests, H. M. Consul-General, President of the Central British War Fund, has received the following letter from Admiral, Sir Aubrey Smith, K.B.E., Deputy-Chairman of King George's Fund:—

Letter of Thanks

"We have received from the Hongkong and Shanghai Banking Corporation the sum of one thousand pounds, by telegraphic transfer from Shanghai dated 10th May, for Merchant Seamen's Relief, and, on behalf of the General Council of King George's Fund for Sailors, I write to acknowledge the receipt of, and thank you for, this very generous contribution to the War Fund.

"Will you please convey to all who may be concerned an expression of our most grateful thanks, and an assurance that it will be used for the special purpose indicated through those Societies which can deal with individual cases of distress.

"You will be interested to know that the War Fund has now reached a total of £344,459, but naturally the claims on it have been, and will be, very heavy.

"Your assistance just now, from a country which has so many difficulties of its own, is particularly welcome and encouraging.

"I have the honour to be, Sir,
"Your obedient Servant.

(SIG.) AUBREY SMITH.
Admiral
Deputy-Chairman.

Shanghai residents may have their difficulties but these pale into insignificance before the magnitude of the sacrifice British Seamen and their families are making, and the Central British War Fund hopes that Shanghai will go on responding even more generously to its appeal for Funds.

Norwegians Thanked For Loyal Message

Aug. 7.

On the occasion of King Haakon VII's birthday on August 3, the Norwegian Legation in Shanghai despatched the following telegram to His Majesty:—

"His Majesty King Haakon VII, London. Norwegian community Shanghai present their loyalty and admiration to your Majesty occasion birthday expressing firm conviction liberation Fatherland in present struggle under your Majestys inspiring guidance.—Norwegian Legation."

Yesterday the following reply was received from King Haakon:—

"Norwegian Legation, Shanghai. Please accept my warm thanks for kind greetings on behalf Norwegian community. —Haakon R."

A CHINESE female jumped off the Kiangse Road bridge at 1.37 a.m. on August 11. Her body was taken out of the river and an ambulance was called out to convey her to hospital. She died before reaching the Shanghai Sanitarium Clinic.

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Merchant Marine Given Sum

Aug. 12.

At a meeting of the Executive Committee of the Central British War Fund held on last Friday the Hon. Treasurer's statement showed that contributions to date totalled $2,631,877.35 and £26,250. 8. 2. After allowing for disbursements, expenses and transfers from the dollar to the sterling account the balance in hand amounted to £2,600, approximately, of which £200 had at previous meetings been allocated to reserve. After adding another £100 to reserve, the remaining £2,300 were disbursed as follows:—

King George's Fund for sailors (a/c Merchant Marine)	£1,200
Lord Mayor's Air Raid Distress Fund	500
British Red Cross	500
Salvation Army	100
	£2,300

Merchant Marine's Claim

The limited accounts to reach Shanghai of the courageous part being played by the Merchant Marine and the hardships, losses and casualties sustained by its personnel are enough to convince all that they have a very great claim on those who are in a position to help them. The Committee decided therefore to give the Merchant Marine prior consideration in the allocation of this month's available Funds. The allocation of £100 to the Salvation Army represents an increase of the Fund's February donation of £250 to £350 to meet the advanced cost of a mobile canteen which the Salvation Army is naming "Shanghai Mobile Canteen."

In this last month's subscriptions received by the Central War Fund are the following calling for special mention. "XCDN Calling 2nd Edition" paid in $7,307.98 thus bringing their total contributions to $58,307.98.

Stock Exchange Sweep

As a result of a sweepstake organized by members of the Shanghai Stock Exchange the handsome sum of $57,802.50 was received.

The N.O.B.S. (Noble Order of British Spitfires) recently allocated $10,000 as a contribution to Air Raid Relief.

Very welcome and generous donations come in from up-country and this month a very greatly appreciated sum of £10 was received from anonymous donors in Kuling.

Ten months of the Central British War Fund's second year of operation have passed and £24,386 have been disbursed. It may appear a task of very great difficulty to achieve the first year's total of £43,094 but the Fund relies on Shanghai to support it to the utmost of its ability.

Central British War Fund (Shanghai)

DONATIONS

Request number over XCDN	$3
British Residents' Association Waste Paper Sub-Committee	1,094
An Indian Sympathiser	50
A bet—Scotch College	10
Wakefield,E.J.—a/c. 3 B.B.C. Radio Programmes	15
British Residents' Association Waste Paper Sub-Committee	5,461
From Blanche—sale of Victory Pins	55
N.H.L.—profit on coal sales	266
Wilson,Constance M.	50
British Residents' Association War Efforts Sub-Committee Books	421
Kelly & Walsh, Ltd.	12,000
Blanche—Sale of Victory Pins	140
Gibson,Mr/Mrs.H.L.	750
Drunken Sailor 2nd donation	20
British Residents' Association War Efforts Sub-Committee Stickers	250
Shanghai Stock Exchange—part proceeds of Lottery drawn on 27/6/41	57,802
British Residents Association Stamp Account	30
Hostess Winnings	18
Queen of Hearts	61
China! & Co., J.C.	100
Drunken Sailor 4th	David,E.H. 20
G.E.R./T.O. 20	Levis,E. 25
Station XCDN 23	A.V.B. 50
Lettuce 99	Zimmerman,V.R. 50
Massenet 20	Tcieg,I.A. 150
W. 30	Williams,Miss N. 30
E.M.T. 10	Winter,J.B. 100
Ward,A.Kendal 50	Anonymous 20
Dunkley,G.S. 75	Hine,E.S. 100
Jomsborg 500	Commissariat,E.J. 25

IN MEMORY OF MRS. ALICE PARSONS'

Harper,Mr/Mrse.H.J.	5

IN MEMORY OF DICK'S BIRTHDAY

Helen/Johnnie	10

IN MEMORY OF D. M. MITCHELL

Lum,C.L. 15	Hart,P.J. 50

IN MEMORY OF FRED J. BRAND

Lonborg,Olga/Pat	10

IN MEMORY OF MISS M. SUTHERLAND

Lonborg,Olga/Pat	10
Adlam,MissEdith M.	50
Harris,Miss F.I.	100
Korec,Mrs.Helene	20
Abott,Mr/Mrs.W.E.	30
Doddridge,Constance	15
Wilson,Constance M.	15
Toeg,Jennie/Katie	50
Schiffmann,Misses R/W.	15
Hillaly,Misses Mercia/Jean	20
O'Kane,Mr/Mrs.J.C.	50
Picozzi,Joan 25	Ahmed,Sarah 5
Mackenzie,Joan 20	Waller,Beatty 5
Moore,H./P. 10	Jacob,Rosie 10

MONTHLY SUBSCRIPTIONS

Wilson,Miss Nelle	3
Woskobvinik,Miss Ray	2
Harpor,Mr/Mrs.H.J.	10
Foreign members of the Local Staff of Union Insurance Society of Canton Ltd.	70
Malcolm & Co., Ltd.	50
Two White Russian Friends	80
Some of the Staff of The Shanghai Waterworks Co., Ltd.	480
Watling,Miss M.K.B.	20
Millar,Mr/Mrs.J.F.	20
Beynon,Mr/Mrs.O.G.R.	20
Adams,Mrs.E.R. 5	Streit,P.M. 30
Arnsberg,Miss R. 10	Hastings 30
Brambleby,E.W. 10	Jack,Miss G.C. 10
Parrott,W.R. 25	Gyn 25
Spielman,Miss M. 5	Sternberg,M. 100
	$2,593,927

DONATIONS

Clark,H.B.	£5
Trumm,Miss Catherine	5

MONTHLY SUBSCRIPTIONS

	£26,210

"N.C.D.N." Photo.

Mr. A. H. Samson Leaves S.M.P.

Another British member of the Shanghai Municipal Police has resigned to join His Majesty's fighting forces. Mr. A. H. Samson, Assistant Commissioner of Arms Training Reserve and Controlling Officer of the Russian Auxiliary Detachment, is expected to leave Shanghai on August 13. The departing officer was on August 11 entertained by senior officers of the force at the Police Club and was presented with a silver cigarette box, suitably engraved and bearing the signatures of all the officers. The photo shows Major K. M. Bourne, Commissioner of Police, and Mr. Samson.

Statement in Titlebaum Case

Aug. 12.

CONTRARY to expectations Sam Titlebaum, chief deputy marshal of the U.S. Court for China whose arrest and detention on Saturday following his arraignment on two counts of embezzling property of the U.S. Government, was not brought up before the court yesterday. In a statement which he issued to the press, the U.S. District Attorney, Mr. Leighton Shields, disclosed that Titlebaum has been acting as executive officer of the court since the departure of the Marshal, Mr. Chas. Richardson, Jnr.

Titlebaum is being held in the Ward Road Gaol being unable to furnish the U.S.$5,000 bail set for his release. No intimation was forthcoming regarding the possible date of his trial which it was learned, will not be held until the return to Shanghai of Judge Milton J. Helmick, or the appointment of another judge to try the case.

Reluctant to Give Information

In his statement which was addressed to members of the Fourth Estate here the D.A. stated that although he was reluctant to give the public any information regarding Titlebaum's arrest he would break his silence since the members of the press had sought to verify through some official affirmation from him, details connected with the arrest and to corroborate what appeared to have been general news published in the newspapers.

The statement went on that he would not continue to disappoint the press by withholding news of his action last Saturday and pointed out that the release would be all for the present as he had not the time to grant personal interviews.

Executive Officer of Court

Since the departure of Mr. Chas. Richardson, Jnr. the U.S. Marshal, on his summer vacation the statement then continued, Sam Titlebaum has been acting as the executive officer of the court having charge of its funds, the pay roll of all officers and employees of the court as its disbursing officer and also has been the custodian of the court's property including its armoury. He was designated in this capacity, the statement added, by Mr. Richardson after Judge Helmick left on July 12, on his statutory home leave.

Evidence collected by the Shanghai Municipal Police and submitted to him, the D.A. continued was studied by him for a week before he issued the information charging Sam Titlebaum under two counts of embezzling property of the United States of which he was custodian.

Woman Deputy Carries On

The absence from Shanghai of the Marshal, the statement pointed out, apart from Titlebaum, only a woman deputy marshal to carry on the functions of the Marshal's office namely, Mrs. Ella Jenkins, which the D.A. stressed left him with the difficulty of having the process served. Compelled to take immediate action he said, he had to request the deputy marshal, Mrs. Jenkins, to perform the unladylike duty of taking Titlebaum into custody. This she did in a right manly way, with Detective Inspector J. C. Crighton of the Crime Branch of the S.M.P. standing by, the statement disclosed.

The statement concluded with the D.A. stressing that he was too busy following the case to discuss the matter further and intimated that he would at no time discuss the evidence or his plans for handling the matter for fear that he may "flush the geese" who apparently also were concerned in the matter.

The statement was signed by Mr. Leighton Shields, U.S. District Attorney.

Mr. A. H. Samson Joins British Forces

Aug. 12.

Senior officers of the Shanghai Municipal Police gathered at the Police Club yesterday afternoon to honour Mr. A. H. Samson, Assistant Commissioner of Arms Training Reserve and Controlling Officer of the Russian Auxiliary Detachment, on his resignation from the police in order to join His Majesty's fighting forces. Mr. Samson, formerly a Lieutenant with the Welch Regiment, has been recalled to active duty and will leave Shanghai tomorrow.

Among those present were Major K. M. Bourne, Commissioner of Police, who made the presentation, Captain H. M. Smyth, Deputy Commissioners T. Robertson, E. C. Baker, I. Kakegawa, Mr. W. C. Grant, Governor of the Gaol, Assistant Commissioners P. C. Liang, W. J. MacDermott, V. Sharman, H. R. Grubb, H. Huruya, Mr. H. E. Aiers, M. J. B. Clissold, Deputy Commissioner of the Western Shanghai Area Special Police Force, and Major S. D. Ivanoff, Officer Commanding the Russian Auxiliary Detachment.

The departing officer was the recipient of a beautiful silver cigarette box, suitably inscribed and bearing the signatures of all the officers of the S.M.P.

Mr. Samson joined the Shanghai Municipal Council on May 1, 1937, as Deputy Governor of the Gaol and occupied that post until June 10, 1938, when he was transferred as an Assistant Commissioner to the Shanghai Municipal Police. In addition to his police duties, Mr. Samson has also been closely connected with the Police Recreation Club, being its Vice-President.

Before leaving the city, Mr. Samson will be entertained by members of the force on two other occasions. The first will take place at the Police Club at 5 p.m. today when he will be the guest of the Police Recreation Club, while an hour later there will be a presentation at the Russian Auxiliary Detachment.

THE Shanghai Municipal Council health report for the week ending midnight August 9, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Settlement was—Foreigners 17 and Chinese 848. Deaths from notifiable diseases were Foreigners, tuberculosis 2 and typhoid fever, amoebic dysentery, bacillary dysentery one each, Chinese, tuberculosis 55; typhoid fever 44; dysentery 12; beri-beri 7; choleraic diarrhoea 4; cholera 3; typhus fever 2 and smallpox, influenza, malaria one each.

AT 11.30 a.m. yesterday, three men entered a Chinese private hospital at 577 Haining Road and proceeded to the surgery, with one of them posing as a patient. Once inside, one of the men pulled out a pistol, intimidated the occupants and stole a case with medicine and drugs. The robbers then decamped, dropping an unexploded round of ammunition as a warning gesture.

French Tram Co.'s Skeleton Service

Aug. 6.

About twenty trams were put into circulation by the Compagnie Francaise de Tramways et d'Eclairage Electriques de Shanghai shortly after noon yesterday for a few hours in order to accommodate residents of the Concession and, as some of the strikers have returned and others are expected to follow suit, further vehicles are expected to be put on the roads today. So far the trams run along Avenue Joffre and Avenue Dubail, with police escort detailed to prevent untoward incidents.

It was officially announced yesterday that, contrary to reports appearing in the local papers, claiming that the strike had been declared because the workers were discontented with their fifteen per cent. increase at the time when the foreign personnel had received an increase of fifty per cent., the dispute had been caused by a misunderstanding.

On Different Bases

It was pointed out that increases given to the foreign personnel and the Chinese employees had been calculated on different bases. Although the foreigners received an increase of fifty per cent., while the Chinese were only granted fifteen, the total pay of both the Chinese and foreign workers had been equally increased by about ten per cent. This is explained by the fact that the Chinese, in addition to their temporary high cost of living, have other allowances not granted to the foreigners.

It was also stated that the strike broke out after the administration had confirmed to the syndicate of workers their willingness to review favourably another increase of pay to the Chinese personnel, and that the opinion on this point had not been changed.

No incidents in the Concession were reported yesterday either in the morning or in the afternoon and the skelton service operated under police guard. No strike was anticipated by the officials of the company either at the power plant or waterworks, both of which are under the same management. The office staff remained at their places. The bus service, however, has not been resumed.

An official of the company expressed hope that the dispute would be settled in the near future as the settlement of the dispute would be favourably acclaimed by the public, the strikers and the company.

Other Strikes Spread

The total number of strikers in the city rose to over 3,000 as, in addition to the French Tramways Co., labour disputes flared up at more than 150 photo shops in the city. More than fifteen persons were arrested for causing disturbances and doing damage to photographic property.

According to Chinese reports, some 1,200 workers of photo shops recently submitted to their respective managements demands for an increase of wages and rice allowance. Negotiations were started, but talks failed and the workers left their jobs on Monday afternoon. One of the studios, in Avenue Joffre, did not suspend business and was attacked by strikers. One of the latter was arrested by the French police.

A new strike, that of approximately 600 workers of a textile factory in Ferry Road, broke out in the morning yesterday. The workers are asking for better working conditions.

The total number of strikers, given at approximately 3,500, included those of the Maxwell Zip Fastener Co., Cathay Metal Pressworks, Shriro Bros., and Sun Company Tea Room.

French Tram Co. Strike Settled

Aug. 7.

The strike at the Compagnie Francaise de Tramways et d'Eclairage Electriques de Shanghai (French Tramways Co.) was settled late last night and employees resumed work in the company's workshops at 10 p.m. Full bus, trolley-bus and tram service will be operated this morning.

It was learned last night that the strikers had agreed to resume unconditionally and that the management had told them that no negotiations would be held until they did so. At the same the management was said to have promised the striking employees that they would review the salary question in August, provided necessity to do so was felt.

It was also pointed out that the strike was started by the employees at the time negotiations were going on between the committee of the union and the company management, and that the workers left their jobs without waiting for the result. This could not be tolerated, it was stated, and strict discipline will be enforced in future to avoid repetition of similar disputes.

Skeleton Services

Prior to the settlement of the dispute, additional tram and bus skeleton service operated in the Concession, the number of trams being augmented to about 35, while about twenty bus were also put into service. The premises of the company and the depot were being guarded by the French police, but no incidents were reported. Police were also detailed to escort all trams and buses in the Concession.

There were no changes in other disputes in the city, but with the settlement of the tram strike, the number of strikers dropped to about 2,000. The concerns still affected by strikes are the Shriro Bros., Maxwell Zip Fastener Co., Cathay Metal Pressworks, New Textile Co., Sun Company Tea Room, and Chinese photo shops.

French Club Strike

Aug. 11.

About 100 Chinese employees of the French Club (Cercle Sportif Francais) in Route Cardinal Mercier called a strike last night after they had failed to obtain a satisfactory answer to their demands for higher wages and more rice allowances.

Starvation Follows Nantao "Blockade"

Aug. 7.

It was reported by the leading Chinese dailies yesterday that already persons who have died of starvation have been discovered in streets in Nantao where the Japanese have enforced blockade regulations for about a week by closing all iron gates separating the native city from the French Concession. No vegetables have been sold in Nantao during the past four days and rice is sold at the price of $4 per "sheng" or $400 per picul. Hot water shops have been closed for several days and hundreds of people are thirsty.

The Japanese were said to be conducting house-to-house searches either for compiling a census or for launching a "purification" campaign. Several sections of the native city have been marked out as "military areas." The reports were muddled as to the exact motive behind the military activities but their extensiveness has attracted wide attention. Beggars and coolies were said to have been concentrated at one locality. The Japanese troops in Nantao were said to have recently been sent there from Chapel, the Western District and Pootung.

Gates Reopened

Aug. 9.

Numerous Nantao residents who had been stranded in foreign areas for almost a week owing to the blockade enforced by the military in the native city sighed with relief on Thursday when most iron gates separating the Chinese city from the French Concession were suddenly reopened to traffic. But the gates were again closed in the evening and yesterday no definite information could be obtained in regard to the blockade regulations, although rumours were circulated to the effect that there would be no definite relaxation regarding the gates before the anniversary of the hostilities on August 13.

Many Starve to Death

Chinese reports indicate that so many persons have died of starvation in Nantao that the Tung Jen Pu Yuan Tang, a Chinese philanthropic organization in the French Concession, has deemed it necessary to send its burying squads to Chinese territory to pick up the dead from many streets. Prices in the blockaded areas have been so high and many wives have been separated from their small wage-earning husbands who work in foreign areas for so many days, that many deaths resulting from starvation and suicides have been reported. The Tung Jen Pu Yuan Tang picks up between 40 and 50 bodies daily, one report says.

Tension Persists

Meanwhile, Nantao residents are still living in an atmosphere of extreme uneasiness. They do not know whether the extremely rigid house-to-house searches will be extended to areas other than the refugee zone where, according to rumours, an arsenal has been discovered. During the opening hours of the iron gates, the Japanese paid careful attention to able-bodied male Chinese, a number of whom succeeded in coming to the foreign areas, but male Chinese were strictly forbidden to enter the Chinese city.

Gates Again Opened

Aug. 10.

Having closed the iron gates separating Nantao from the French Concession for more than a week causing much inconvenience to residents in the Native City and to those in foreign areas whose employees have homes there, the Japanese military reopened the gates on Friday and yesterday traffic through the gates was not restricted, although searches were inevitable.

It was learned from Nantao residents that Japanese gendarmes who had been staying in the refugee zone in the Native City for many days conducting house-to-house searches had finally been withdrawn. Many persons stranded in foreign areas during the blockade breathed sighs of relief yesterday when they were able to see their relatives from whom they had been separated for many days. It was also learned that prices of commodities in Nantao were still very high yesterday.

Recent Chinese reports indicated that the strict blockade and search regulations had been enforced by the military in Nantao because a census was being compiled. Many persons were also reported to have died of starvation as the precautions and restrictions caused prices of rice and other necessaries to go up.

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SHANGHAI NEWS (continued)

Wang Newspaper Plant Burns

Aug. 10.

A MYSTERIOUS explosion rocked the north of the Soochow Creek area at 6.55 p.m. yesterday and started one of the biggest fires in recent weeks, the mystery being further deepened by the fact that the building to go up in flames was the "Central China Daily News," a Wang Ching-wei organ in North Honan Road, only a few feet from the Embankment Building. Two persons were reported to have sustained slight injuries in the explosion and were taken to hospital in an S.F.B. emergency ambulance.

Traffic over the Honan Road bridge and along North Honan Road was completely disrupted, while hundreds of Chinese watched the flames from the bridge. They were later forced to leave by the police. Several trolley-buses were left stranded on the southern side of the bridge, and these were eventually towed away, only one, right in the centre of the bridge, being left.

The fire was reported to the Shanghai Fire Brigade by the police and was seen simultaneously from the watch-tower of Hongkew fire station. Six machines four from Hongkew and two from Central station, immediately turned out. These included four pumps and two turntables. The Hongkew unit was under Assistant Station Officer T. E. Stenning.

The size of the fire made it imperative that senior officers of the Shanghai Fire Brigade should be present at the scene and Captain H. G. Reed and Third Officer R. G. Watkins attended. Volunteer Officer A. F. T. Holland and Assistant Volunteer S. C. Smith and G. A. Johnston were also present. Other volunteer firemen were asked to present themselves at the scene of the fire.

Completely Ablaze

The "Central China Daily News," occupying a four-storeyed house at the corner of North Honan and Tiendong Roads was completely ablaze when the firemen made their appearance, and was immediately surrounded from all sides. Ladders were manned and all the pumps started operating simultaneously in a desperate effort to bring the flames under control. A slight breeze impeded firemen in their effort, but gradually the flames were beaten and the first three storeys were brought under complete control.

The fourth floor, however, presented a difficult problem and as darkness fell and floodlights were installed, the firemen continued their work to subdue the flames on the top floor. Hundreds of gallons of water were used, from the four sides of the building and myriads of sparks were blown away by the breeze to add grandeur to a scene of destruction.

In the street, Captain Reed and Third Officer Watkins were busy giving instructions, while firemen poured countless gallons of water on the lower storeys to keep them from reigniting.

As soon as the fire became known, several members of the Japanese Consular Police appeared on the scene. Later more Japanese were said to have visited the place, while an official of the organ was also present for a few minutes.

Incendiary Bomb

It was at first reported that a hand grenade had been thrown by unidentified terrorists. This, however, could not be confirmed by detectives investigating the case. It was believed to be more likely that someone had left an incendiary bomb on the premises, since the explosion caused was said to have been louder than that of a grenade. The first two men to be injured were taken to the Shanghai Sanitarium Clinic in Range Road, where their injuries were found to be slight. Both of them suffered laceration of skin. Later one another man was discovered injured. He was taken to Paulun Hospital.

The fire was completely brought under control by 9.12 p.m., but firemen continued in their effort to extinguish the flames. At midnight, there were still four machines and the floodlight tender at the scene. The extent of damage done by the flames could not be ascertained as the paper went to press, but it was believed to be big.

While firemen were busy fighting the flames at the "Central China Daily News" building, the Shanghai Fire Brigade Headquarters received another call from the corner of Peking and Shantung Roads where a Morris car, bearing licence 1601, went up in flames. The call was received at 9.55 p.m. and a machine from Central station was sent to the scene. The blaze was extinguished in less than quarter of an hour, but not before the vehicle had been badly damaged.

Publication Continued

Aug. 11.

As a result of the conflagration in North Honan Road on Saturday night which almost completely destroyed the plant of the "Central China Daily News," chief organ of the new régime, only a half-page of the paper appeared yesterday. It was officially announced that the paper would continue the publication until all facilities have been restored, which work would be done with the least possible delay. A full-page paper will appear today.

The paper editorially alleged that the destruction was caused by terrorism but asserted that "we have accepted this challenge." The writer said that the paper would go on with its programme fearlessly. It was learned that a full report about the fire which destroyed the "entire material equipment" of the paper had been sent to Mr. Lin Pai-sun, Minister of Publicity of the new regime at Nanking. Property loss was estimated in one evening report to amount to $2,500,000.

Kidnapping Gang Smashed by Police

Aug. 8.

Detectives from Central station of the Shanghai Municipal Police, acting in cooperation with the Western Shanghai Area Special Police Force, under the personal direction of Commissioner C. C. Pan raided the Fah Wha village, off Columbia Road, yesterday afternoon and arrested seventeen kidnappers, seized two pistols with ammunition and released two Chinese, held captive by the gang for some time.

The Settlement police party, headed by Detective Inspector V. I. Ovsiannikoff and consisting of several foreigners and a number of Chinese members of the S.M.P., went on the raid at about 12.30 p.m. after having made arrangements with the W.S.A.S.P.F.

Armed to the teeth, with two Thomson guns and wearing bullet-proof vests, detectives left their car in Great Western Road and proceeded to surround the village. In possession of knowledge, obtained earlier, detectives then raided two houses where they found the victims and their captors. No shots were fired either by the police or the criminals.

Victims Released

Both victims were released between 1.15 and 1.30 p.m. One of them turned out to be Chu Chungshan, 38, a P.W.D. foreman, who was kidnapped by the gangsters near the Yenping Road office on July 29. The other victim was Mr. Hzu Ping Tsu, 54, a well known Chinese business man, kidnapped ten days ago at the corner of Yates and Bubbling Well Roads, when his car was stopped and he was taken away in his vehicle. It was recovered by the police yesterday.

All the seventeen men were first taken to the W.S.A.S.P.F. and were later brought to the Central station for questioning.

Having personally led the campaign against gambling dens and opium smoking establishments in the Western area, resulting in the closure of these haunts of vice, Commissioner Pan more recently has been directing his attention to kidnappers and other unruly elements whose complete elimination from the area is consistent with the Commissioner's inflexible resolve to restore order to Shanghai's once famed "badlands".

During the past few days detectives of the Western Area Special Police led by Commissioner Pan combed the district under their jurisdiction to locate the hide-outs of kidnapping bands.

LOCAL FOOD PRICES

Average prices obtaining on Aug. 8. H.—Hongkew Market and shops in Hongkew District. W.—Seymour Road Market and shops in Western District. F.C.—Markets and shops in the French Concession.

	H.	W.	F.C.
BEEF			
Rib	.. 3.40	3.60	3.70
Rump	3.80	4.40	3.70
Sirloin	3.80	4.20	—
Soup	.. 2.00	2.00	2.20
Suet	.. 1.50	—	1.00
MUTTON			
Lamb	1.50	1.60	1.50
Gigot	1.60	1.60	1.50
PORK			
Lard	.. 1.30	1.60	1.23
Legs	.. 2.20	2.60	—
Cutlet	2.70	2.60	2.25
Should.	2.10	2.60	2.17
Knuck.	1.30	1.00	0.80
VEAL			
Cutlets	3.60	5.00	—
BUFFALO			
Rump	3.40	3.00	2.90
Soup	1.60	1.80	1.90
Goat	—	—	1.60
PREPARED MEAT			
Bacon	2.40	3.20	2.00
Ham F.	3.60	4.00	4.70
Ham C.	2.80	3.20	3.20
S. pork	21.10	—	1.90
FISH			
Carp	—	1.20	1.40
,, live	—	2.40	—
Cod	.. 1.60	1.60	1.40
Eel live	2.70	1.40	1.00
M'darin	2.40	3.50	—
Prawns	0.45	0.50	—
Salmon	1.60	1.20	—
Soles	.. 1.60	1.20	1.20
W'bait	1.40	1.30	1.20
Yellow	0.80	1.20	0.90
SALTED FISH			
Herring	1.30	0.80	0.60
Ribbon	0.85	0.80	0.75
Salmon	1.60	1.70	1.40
POULTRY AND EGGS			
Chick.	.3.00	3.00	2.60
Duck	.. 6.50	7.00	6.00
Eggs	.. 2.80	3.00	2.40
FRUIT			
Apples	1.20	0.75	0.60
Bananas	0.90	0.65	0.90
Lemons	1.20	1.40	1.60
Oranges	16.20	12	16.60
Pears	0.80	0.80	1.00

	H.	W.	F.C.
VEGETABLES			
B'boo	.. 0.60	0.80	0.85
Beans	0.30	0.50	0.40
B'troot	0.20	0.20	0.15
C'bage	0.40	0.15	0.25
,, S.	0.15	0.20	0.20
,, F	0.40	0.40	0.40
Carrots	0.50	0.50	0.50
Onions	0.10	0.10	0.08
Potatoes	0.30	0.25	0.25
,, S.	0.70	0.40	—
Spinach	0.20	0.25	0.25
To'toes	0.70	0.60	0.60
Turnips	0.40	0.30	0.35
GROCERY			
Coffee	4.60	3.60	3.60
Flour A.	0.85	0.75	0.75
,, C.	0.75	0.70	0.72
Hacar.	1.45	1.30	1.20
Noodles	0.66	0.62	0.63
Salt T.	0.50	0.60	0.50
,, C.	0.56	0.39	0.47
Sugar T.	0.95	1.10	0.90
,, H.	0.85	0.85	0.82
Tea C.	6.00	6.00	5.00
OIL AND BEAN CURD			
Bean	0.20	0.30	0.10
Salad	2.50	2.40	2.00
Soya	1.80	1.89	1.91
MILK, BUTTER AND BREAD			
Milk, A	1.30	1.10	1.35
,, B	0.90	0.83	0.65
,, A T.T.	1.35	1.13	—
Milk	2.30	4.25	4.50
Butter	8.80	8.60	8.60
Margar.	2.60	2.35	2.60
Bread	0.75	0.75	0.75
SOAPS			
Toilet	0.70	0.75	0.85
Wash.	1.60	1.13	1.20
RICE			
K'mee	0.85	0.80	0.80
Foreign	0.60	0.65	0.60
COAL AND FUEL			
Anthrac.	440	460	470
Kitchen	445	410	405
Brique.	16	16	16
Char.	—	—	47
Wood	—	—	0.90
K'sene	1.43	1.28	1.36

Local Bank Manager Retiring

Aug. 8.

Terminating 25 years of service with the local branch of the Banque Franco-Chinoise Mr. M. E. Meunier, manager of the bank here, has resigned from his position and is leaving soon for South America where he intends to settle down with his family. The retiring bank official, who is 46, came to China after the World War and joined the bank which was then known as the Banque Industrielle de Chine. He has resided fifteen years in Shanghai.

During the World War, he was a soldier in the 54th and 404th Regiments of Infantry of the French army,

Mr. M. E. Meunier

and in the "Service Auto." he finished the war as an R.T.O. in the Gare do Nord at Paris.

Always a keen sportsman, he was coach to the French team in the "International Walking Competition" at Shanghai, for five years. He was also a promoter of the "Shanghai Boxing Association" which was responsible for the engagement in Shanghai of the famous French boxer, Pladner, now blind.

He is a member of many clubs: Cercle Sportif Francais (of which he has been Hon. Treasurer for several years); Association Sportive Francaise; the Shanghai Club; the Royal Air Force Association; the Shanghai Race Club; and the Shanghai Rugby Union Football Club. He was also chairman of the "Comité Central de Chine de l'Alliance Francaise" and was one of the founders of "Association Amicale Sino-Francaise."

Served With Police Specials

He was chairman during seven years of the "Shanghai Art Club," at the annual exhibitions of which he was a regular exhibitor of landscapes and oil paintings. He was staff officer of the "Police Speciale Francaise," and was in charge of its organization, and it is well known that he is one of those responsible for its high degree of efficiency.

Recently he lost his eldest daughter at the age of eighteen after a very long and painful illness. He has a wife and two other children.

His decision to sever his long connection with the Banque Franco-Chinoise has been taken for purely private reasons.

S.V.C Orders

Aug. 12.

Promotions and Appointments:—Sergeant Paul K. Knipper, American M. G. Company is promoted Warrant Officer Class II and appointed First Sergeant with effect from Aug. 6.

Reversion:—First Sergeant A. G. Marmorat, American M.-G. Company Warrant Officer Class II, reverts to the ranks at his own request with effect from Aug. 6.

Inter-Unit Transfers:—Private E. Grundt, "B" Company is transferred to Scandinavian Company with effect from Aug. 6.

Strength:—Increase:—The undermentioned are taken on the strength of the Corps as under:—Corps Cavalry:—American Troop.—Tpr. A. M. Shvir Aug. 4. "C" Battalion:—Russian Company.—Pte. B. V. Rassushin Aug. 4. Decrease:—The undermentioned are taken off the strength of the Corps as under:—Corps Troops:—Signals Company.—Sgm. V. K. Onischuck Aug. 5. "A" Battalion:—"A" Company.—Pte. J. A. T. Thomas Aug. 4. "C" Battalion:—Armoured Car Coy.—Pts. S. C. Maclean August 5. G. P. Hedley Aug. 5. Russian Company.—Ptes. V. A. Kiriluk Aug. 1. V. K. Zaharoff Aug. 5. N. Voloshin Aug. 5.

SEVERAL roads in the West Hongkew district were still partly flooded on August 11 although passable for vehicles. These were North Soochow, Kaifeng, Kansuh and Alabaster Roads.

OBITUARY

The Rev. Evan Morgan, D.D.

Shanghai, Aug. 8.

The news has just been confirmed of the death of the Rev. Evan Morgan D.D. who was for 51 years a missionary in China and a well-known figure in Shanghai. Dr. Morgan was a Welshman, born in a Cardigan village in 1860. His early educational advantages were not great and in his youth worked in the office of a Carmarthen merchant. Being imbued with the missionary spirit he was accepted as a candidate for the Baptist ministry and entered the training college at Bristol, being brought under the virile influence of Dr. Richard Glover.

In 1884 he sailed for China and after six months language study at Chefoo went to Taiyuanfu in Shansi where he came in contact with Dr. Timothy Richard, which resulted in a life-long friendship. From Taiyuanfu he went to village work in the province of Shansi and was there until the outbreak of the Boxer Movement. Through the good offices of H. E. Tuan Fang, he with his family were able to escape with their lives, and after a furlough once more proceeded to Taiyuanfu.

In 1906 he was appointed to the staff of the Christian Literature Society and from that time spent his life in the production of Christian literature. During his active missionary career in the provinces he had gained a remarkable knowledge of classical Chinese as well as the vernacular, and this made him a valuable worker in the effort to influence the Chinese by translations of foreign books. He also edited for a time the "Chinese Weekly" (Ta Tung Pao) which was being widely read in official circles.

In Shanghai Dr. Morgan was an active supporter of the Union Church and at the same time did much to influence the Chinese Christian community. He was interested in their spiritual and social welfare, being a man of deep religious fervour and conviction. He also identified himself with the cultural and educational efforts of his time; was a member of the Royal Asiatic Society for many years and its President in 1933-1934. His books in English on Chinese subjects and the Readers and Dictionaries for students of Chinese have had a large sale and are well-known in China. In 1926 the degree of Doctor of Divinity was conferred upon him by the University of Wales. He also held the Chinese Star and Order of the Double Dragon. He was one of the founders of St. David's Society in Shanghai and was twice its President.

Dr. Morgan left China in 1935 and retired to Bristol where he and his wife have been living during these last harassing years.

Mr. L. L. F. Fearon

Aug. 6.

Funeral (cremation) services for the late Mr. Lancelot Low Foster Fearon, who passed away at the Country Hospital on Saturday, were held in the Bubbling Well Cemetery Chapel yesterday afternoon with the Very Rev. A. C. S. Trivett of the Cathedral officiating. There was a large attendance of mourners, the chief of these being Mr. and Mrs. F. R. Fearon, cousins of the deceased, and Mrs. Gorton. On the coffin which was draped with a blue pall rested a beautiful wreath from Jennie and Frank.

Mr. Basil K. Kazanjoglou

Aug. 6.

Funeral services were conducted yesterday for the late Mr. Basil Kyriaco Kazanjoglou well known local Greek citizen who died last Friday at the Shanghai General Hospital, following an injury sustained several weeks ago, when a rickshaw in which he was riding turned over. The church services were held at the Russian Cathedral on Route Paul Henry, when Bishop John, Father Gabriel, assisted by Deacon Konovaloff and the Russian Choir officiated. A beautiful cross of white flowers from the widow was lowered into the grave with the casket at the Bubbling Well Cemetery where interment took place.

Mr. Alvaro Maria d'Eca

Aug. 9.

A Requiem Mass was celebrated yesterday morning at the Church of Christ the King on Rue Bourgeat, by the Reverend Father John K. Lipman, S.J., for the late Mr. Alvaro Maria d'Eca, eldest son of the late Dom Celedonio and Dona Maria Pureza d'Eca, husband of Amalia d'Eca and father of Mrs Elena d'Eca Teixeira and G. Frederico d'Eca. Burial took place at the Bubbling Well Cemetery in the afternoon, where Father Lipman read the last rites of the Roman Catholic Faith. A beautiful heart of flowers from "Amalia and Billy" and a cross of flowers from "Jose, Elena and Maria-Jose" was lowered into the grave with the casket that was borne by Messrs:—Commander Dr. Jose Perez, T. Rangel, F. Xavier, G. Borea-Regoli, M. F. R. Leitao, C. A. da Costa and R. Garronila. The chief-mourners were G. Frederico d'Eca, son, and Dr. J. F. Teixeira, son-in-law, Consul de Portugal.

A FORD car, bearing licence 3556, was very badly damaged when flames broke out in Lane 617 Seymour Road at 12.20 p.m. on Aug. 11. Houses 13 and 15 in the lane were slightly damaged. The call was answered by Sinza Fire Station and the flames were extinguished in less than half an hour.

PERSONAL NOTES

SIR Victor Sassoon left on Aug. 6 for Bombay on a business trip.

MR. G. S. O. Mayne has been appointed acting Sub-Lieutenant in the Hongkong Naval Volunteer Force.

LIEUTENANT - Commander James Jolly, R.D., R.N.R., has been appointed Harbour Master and Director of Air Services, Hongkong.

COMMANDER Thomas Charles Stiff, R.D., R.N.R., has been appointed Deputy Harbour Master, Hongkong with effect from June 17, 1941.

SIR V. M. Grayburn, chief manager of the Hongkong & Shanghai Banking Corporation, Hongkong, has been appointed an unofficial member of the Colony's executive council.

THOSE who knew J. D. Bell, late of the K.M.A. will be interested to hear that he is now a Divisional Garrison Engineer in India; Bedford Lind is also a Captain, in the R.I.A.O.C. and in complete charge of a factory.

MR. John Seba jr. has recently graduated in law at the "Aurora" University in Shanghai and permission for practice has been granted to him by the French Authorities. Mr. Seba has joined the law office of Me. Paul Premet.

SIR Athol D. MacGregor, Chief Justice of the Supreme Court of Hongkong who is a distinguished recent visitor to Shanghai returned to the Crown Colony on Aug. 8. During his sojourn here His Lordship was the guest of Sir Allan and Lady G. Mossop.

NEWS has been received by Mr. G. E. Ryan of the Shanghai Power Company that his brother Alexander Ryan, age 26, is a prisoner of war in a camp in France. He was on his way to England when war started and he joined up on arrival. Mrs. J. M. Ryan the mother is a resident here.

LIEUT.-Col. Reginald David Walker, M.C., who was appointed Director of Supply in Hongkong in March this year, has been awarded the O.B.E. (Military Division) by His Majesty the King. Lt.-Col Walker has been Manager and Chief Engineer of the Kowloon-Canton Railway since 1934.

VICE-Admiral William J. Whitworth has been appointed a Lord Commissioner of the Admiralty and Chief of Naval Personnel in succession to Admiral Sir Charles J. C. Little, a former C.-in-C., China Station. Rear-Admiral Arthur M. Peters will be Naval Secretary to the First Lord of the Admiralty in succession to Rear-Admiral Edward N. Syfret. Rear-Adm. Peters was formerly Commodore at Hongkong.

IN April 1940, it was announced that the Trustees of the Peace Memorial Scholarships Fund offered one scholarship subject to the conditions of the Trust to be awarded on the recommendation of the Examination Syndicate of Cambridge University on the result of the School Certificate Examination to be held in December 1940. The Examination Syndicate have recommended G. B. Wills of Shanghai who came first in order of merit, and the Trustees acting upon the recommendation award the scholarship for 1940 to this candidate.

THE best of luck and hopes for a quick return were expressed by the acting president of the Zero Club, Mr. Arthur Piercy, at weekly meeting of the club on August 7, to six more recruits to H. M. Forces who are due to leave Shanghai shortly. They were Messrs. D. W. Gourlay, I. H. Kendall, N. Sykes, T. D. Erskine, I. E. House, and A. H. Samson. Mr. Piercy also proposed the health of Sir Athol MacGregor, Chief Justice of Hongkong who is in Shanghai in connection with sittings of the Appeal Court. He expressed the regrets of the Zero Club that Sir Athol was not a permanent resident, so that he could become a member of the club.

MRS. Ronald Macleod has three portraits in pastel and an oil painting of a vase of flowers in the United Society of Artist Exhibition which opened last month. One portrait is of a young officer of the Highlanders of Canada; another of Miss June Brae in fancy dress, with a very becoming headdress, and the most striking of the three is Miss Gordon Duff in her uniform as a Queen's Messenger, which well illustrates Mrs. Macleod's sense of colour and gift for getting character into her portraits. The exhibition is not as large as previous years and scarcely up to their level. But one should be grateful to all who strive to keep the arts going in these tumbling days, states Mr. O. M. Green.

THE Shanghai Fire Brigade report for the month of July shows that seventy calls were received during the month, 54 proving to be genuine fires, six being false alarms (two with malicious intent), and nine being special emergency calls. One involved the burning of rubbish. The damage at fires which the Brigade attended within the Settlement and Special Rated Area was estimated at $255,684. Three lives were lost at fires, while civilian injuries at fires and special emergency calls, numbered twenty. Three firemen were injured at fires. During the month, the emergency ambulance service answered 756 calls and 772 patients were conveyed to various hospitals.

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COMMERCE AND FINANCE

Money and Exchange

HONGKONG & SHANGHAI BANK

TUESDAY, AUGUST 12, 1941

BANK'S SELLING RATES 10 A.M.

£1 @ 2 3/16d.	$ 84.39
U.S. $100 @ 4 11/16	$2,077.92
Guilders 9	$100
Rupees 15¾	100
Pesos 9⅝	100
Hongkong $18⅞	100
Closing rates 2 1/16..	U.S. $4 11/16

BANK'S BUYING RATES 10 A.M.

£1 @ 2 3/16d.	$ 80.84
U.S. $100 @ 5	$2,000.00
London—demand, $1=	2 3/16d.
4 months' sight credits	3 d.
4 months' sight docts	3 1/16d.
6 months' sight credits	3 1/16d.
6 months' sight docts	3 1/16d.
New York—demand, $100=	U.S. $5
4 months' sight credits	U.S. $5
4 months' sight docts	U.S. $5 1/16
Closing rate	3 1/32d. U.S. $5 1/16

NEW YORK/LONDON CASH RATES

£1=U.S. $4.03½ U.S. $1=59.48d.

INTERBANK CLOSING SELLING RATES

Sterling 2 3/16d.	U.S. 4 11/16
Hongkong/London	1/3

NETHERLANDS TRADING SOCIETY

Java Guilders Selling 9

AMERICAN EXPRESS CO., INC.

Buying	U.S.$100=$2,000.000	£1=$80.000
Selling	U.S.$100=$2,077.922	£1=$84.395

HUA HSING COMMERCIAL BANK

Sterling basis	@ 6d per H.H.$ 1
U.S.$ Selling Rate	@ 9¾ per H.H.$100
Local $ (Papi) buying	@ 201 per H.H.$100

CUSTOMS OFFICIAL RATES FOR DUTY PAYMENTS

Gold Unit 1.00—Hua Hsing	$2 704
CRB$ or	@ 211
Gold Unit 1.00—Local Dollar	$5.896

Local Exchange Report

Messrs. Drakeford, Davis & Wilson

INTER BANK CASH DELIVERY

£ Highest 2 3/16 Lowest 2 1/16
U.S. $ 5 4 15/16

MERCHANT CLOSING RATES

	SELLING Aug.		BUYING Aug.
£ T.T.	2 1/16	4 m/s. l.c.	3 3/32
U.S.$ T.T.	4 15/16	4 m/s. l.c.	5 1/16
Rs. T.T.	16 3/16	15 d/s.	17

BAR SILVER

	READY	FOR'D
London pence per std. oz.	23 7/16	23 7/16
N.Y. cents per oz. troy	34¾	—
Bombay Rs. per 100 tolas	62.13	—
Bombay offtake 150 bars		

U.S. $/£ CROSS RATE CASH QUOTATIONS

New York closing rate for Aug. 11	4.03½
Local Sellers of U.S.$ against £ at the close	4.03 *
Local Buyers of U.S.$ against £ at the close	4.03 *

*—Nominal.

The local market opened with sellers at 2 3/16d. sterling and 4 15/16 U.S.$. From the opening the market showed a steadier tendency and rates moved up gradually until mid-afternoon at which time there were Interbank sellers at 2 3/16d. sterling and 5.– U.S.$. This high level brought out some buyers, however, and at the close the market was quiet and a shade easier with best sellers at:—

2 1/16 sterling 4 15/16 U.S.$ Cash/Sept.

Manila Gold Shares

(Sales in Pesos)

Aug. 12.	10 a.m.		Sales Prices p.m.		Closing
Atoks	.365	B	.365		
Antamok	.044	B	.041	B	
Baguio Gold	.145	B	.15	B	
Batong Buhay	.045	B	.045	B	
Big Wedge	.45	B	.45		
Coco Grove	.0625	B	.0625		
Consolidated Mines	.0037	B	.0037		
Demonstration	.03	B	.03	B	
East Mindanao	.085	B	Unq.		
I. X. L.	.19		.16	A	
Ipo Gold	.011	B	.011	B	
Itogon	.18	B	.18	B	
Mambulao Consolidated	.01	A	.01	A	
Masbate Consolidated	.085	B	.0875		
Mine Operations	.022	A	.022	A	
Paracale Gumaus	.25	B	.25	B	
San Mauricio	.16	B	.16		
Surigao Consolidated	.19	B	.19		
Suyoc	.105		.105		
Syndicate Investment	.022	A	.022	A	
United Paracale	.16	B	.16	B	
Mindanao Motherlode	.35	B	.35		
Manila Hal-Alai	9.00	B	9.00	B	
Benguet Consolidated	3.70	A	—		

(over the counter)
Turnover 34,700 Pesos.
Shares Index 45.22.

B—Bid. A—Asked.—Reuter.

Local Commodities

Yesterday's Prices

Cotton yn. 20's. D.H. p.b. Cash		$1.601
Tungchow cotton ..	per picul	300
Shanghai cotton	per picul	255
Raw silk, Steamfil. 20/22 78%		$7.000 picul
Flour, local ..	per bag (49lb.)	$29.00 Nom.
Flour, imported	"	32.80

New Rubber Rate

Washington, Aug. 7.

Mr. Jesse Jones, in his capacity of Federal Loan Administrator, yesterday announced that the Rubber Reserve Company was prepared to sell crude rubber to manufacturers at the base rate of 22½ cents per pound for number 0 ribbed, smoked sheets for deliveries in New York.—United Press.

London Stocks

Monday's Closing Quotations

	Aug. 6	11
U.K. LOANS		
3½% War Loan (Red.)	£105 3/16	105⅛
3% Defence Loan	101	101
CHINESE LOANS		
4½% Gold Loan, 1898	47	47
4½% Anglo-French Loan	45	45
5% Crisp Loan, 1912	30	30
5% Reorg. Loan, 1913	38	38
8% Stg. Notes, 1925	9	9
5% Honan Rly., 1905	13	13
5% Hukuang Rly., 1911	15	15
5% " " (Ger. Is.)	13	13
5% Lung Tsing U. H Rly.	13	13
5% S'hai-Nanking Rly.	15	15
5% T'tsin-Pukow Rly. B.	12	12
5% " " G.	12	12
5% " " (Supl. Loan) B.	12	12
5% " " (Supl. Loan) G.	12	12
5% Canton-Kowloon Rly.	11	11
5% Chinese Imp. Rly.	55	55
JAPANESE BONDS		
5% Sterling Loan, 1907	19½	18½
6% Sterling Loan, 1924	20½	19½
BANKS AND INSURANCE		
Chartd. Bank of I. A. & C.	8¾	8¾
H. & S. Bank (Ldn. Reg.)	73	72
" " " (Col. Reg.)	76 N	76 N
Mercantile Bank of India	11⅛	11⅛
National Bank of India	31¾	32
Un. Ins. Soc. of Canton	22	22
COMMERCIAL AND INDUSTRIALS		
Bristol Aeroplane	10/10½	10/10½
B'tish American Tobacco	34/4½	33/9
Dunlop Rubber	35/9	35/9
Imp. Chem. Industries	32/6	32/1½
United Steel	24/-	23/10½
Woolworths	56/9	57/-
MINES		
Chinese Eng. & Min.	13/6	13/6
Chosen Corp.	4/-	4/-
Marsman Investments	5/7½	5/7½
Pekin Syndicate	1/-	1/-
Sub-Nigel	141/10½	141/10½
Western Holdings	16/9	16/9
MISCELLANEOUS		
Great Western Rly.	37¼	37¼
Gula Kalumpong Rubber	15/-	15/-
London, Midland & Scot.	14½	14½
S'hai Elec. Construction	13/6	13/6
S'hai Waterworks "A"	15	15
Shell Transport & Trad.	49/4½	49/4½

New York Stocks

Monday's Closing Quotations

	Aug. 9	11		Aug. 9	11
Adams Exp	7	6⅞	Int'T & T	*2⅜	*2⅜
Alg Lud	23⅞	23½	Johns	65	64½
Allis Chal	29	28⅞	Kennecott	37⅞	37⅞
Amer Can	86½	84	Libbey O F	28½	28
Am Cyan	39	39½	Lockheed	27½	26⅞
Am For Pr	0⅞	*0⅞	Loew's	33	33⅞
" $7 pfd	21⅞	21½	Martin	27⅞	27⅞
Am Loco	13⅞	12⅞	Mont Ward	33½	33
Am Metal	19⅛	19	Nat Avian	*9	9⅞
Am Radiz	6⅞	6⅞	Nat City B	*27	*26½
Am Rolling	15	14⅞	Nat Dairy	14⅞	14⅞
Am Smelt	41½	41⅞	Nat Dist	*21½	21⅞
Am Sug	20	18⅞	Nat P & L	5⅞	5⅞
Am T & T	153⅞	153⅞	Nat Sup	*6⅞	6⅞
Am Tob	71½	71	N Y Cent	12⅞	12½
Am Wtwrks	4½	4⅞	Niag Hud	2½	2⅞
Anaconda	27⅞	27⅞	N A Avian	14⅞	14⅞
Atchison	28⅞	28½	N Am Co	13	13
Avian	3½	3½	N Pacific	7⅞	7
Bald Loco	15½	15	Packard	3	3⅛
Balt & O	4⅞	4½	Pantepec	4½	4
Barns Oil	9½	9⅞	Paramount	13⅞	13½
Bendix	37½	37	Penn R R	24	24⅛
Beth St	71½	70⅞	Phil Pet	45	44½
Bliss	16½	*16	Pullman	27⅞	27⅞
Boeing	17½	17⅞	Pure Oil	9⅞	9⅞
Borg War	19½	19½	Radio	4½	4
Briggs	19	18⅞	Reading	16⅞	16
Budd Mfg	4½	4½	Rem Arms	4½	*4½
Can Pac	4⅞	4⅞	Rep Avtn	3⅞	3½
Celanese	27½	27½	Rep St	19½	19⅞
Chase N B	*30½	*30½	Rey Tob	32⅞	32½
Ches & O	37⅞	37⅞	Schenley	15⅞	15⅞
Chrsyler	57	57	Shell U Oil	14⅞	14⅞
Col G & E	2½	2⅞	Soc Vac	9½	9½
Col Credit	24½	24½	Sthrn Pac	13½	13½
Com & Sth	0⅞	0 7/16	Sthrn Rly	28½	28½
Cons Edis	18	17⅞	Spicer	37	36⅞
Cons Oil	5⅞	5⅞	Std Brands	5⅞	5⅞
Copld St	16	*15½	St G & E	18	17⅞
Curtis Wr	8⅞	8⅞	Std Oil	41½	42
Dist Cpn	10⅞	10½	Studebaker	5⅞	5⅞
Douglas	68⅞	69½	Swift Int	22⅞	*22½
Du Pont	150½	150	Technicor	*9⅞	9⅞
E P Lead	9½	9½	Tex Corp	41½	41⅞
Elec A Lite	20½	20	Transamer	4½	4⅞
Elec B & S	2½	2½	Tw Cent	7⅞	7⅞
" $5 pfd	53	53⅞	Un B & P	11½	10⅞
" $6 pfd	58	*57½	Un Pac	81½	81
Elec P & L	33½	33⅞	Un Air	39½	38
Flintkote	14⅞	14½	Un A Lines	10⅞	10⅞
Gen Elec	31½	31½	Un Corp	0⅞	0½
Gen Motor	39½	39⅞	" $3 pfd	23⅞	23½
Gen Rly	14½	14	Un Gas	7⅞	7⅞
Gen T & R	12½	12½	U S Rub	23	22⅞
Goodrich	18½	18½	U S Steel	57	56⅞
Goodyear	19½	19	Vanadium	24⅞	24½
Gt N I Ore	17⅞	*17½	Vultee	*7	7½
Gt N Rly	26½	26½	Walworth	5½	5½
Gt W Sug	27⅞	26⅞	War Pr Pct	4½	4½
Int Nickel	26½	26⅞	West Elec	93½	92
Int Paper	16⅞	16⅞	Woodward	27	26½
BONDS					
Am For Pr	62½	61½	Erie	30	29½
Aust Com	*71	74	Int T & T	44	43⅞
Brazil	20½	20½	New Eng	61	61
" 6½%	*17⅞	*17½	Sthrn Pac	51⅞	50⅞
C S P & L	98½	98½	St G & E	89½	89

*—Bid. †—Ex Div.

Commodity Prices

Aug. 8.

Unit prices of commodities used by certain employers as a basis of allowances to employees are published for their use every Friday morning. They are compiled in the Industrial and Social Division, Shanghai Municipal Council. The following average prices ruled on August 6:

Commodities	Unit	Average Prices
Non-glutinous rice (Kan Mee):		
First Grade	Shih	$152.00
Second grade	Shih	141.67
Saigon rice:		
Best quality	Shih	128.56
Second grade	Shih	123.08
Rangoon rice	Shih	116.00
Glutinous rice (Noo Mee)	Shih	124.00
Wheat flour (Bicycle)	49 lb. net	34.329
Chin-ta'ai	Shih chin	0.220
Yellow bean Sprouts	Shih chin	0.230
Fresh pork	Shih chin	2.100
Fresh fish	Shih chin	0.925
Soy bean oil	Shih chin	2.107
Soy bean sauce	Shih chin	0.530
Coal briquettes	100 Shih chin	15.944
Grey shirtings	Shih ch'ih	0.576

Govt. Determined to Stabilize Dollar

Chungking, Aug. 11.

The government is determined to stabilize the Chinese dollar on the Shanghai market, declared Mr. Wang Shih-chien, Minister of Publicity, at a press conference this afternoon. He expressed confidence that the Chinese currency stabilization board would be able to carry out the Government's decision, adding that the necessary funds for the purpose had already been handed to the board.

After announcing that the personnel of the board consisted of Mr. Chen Kwang-pu, Mr. Pei Tsu-yee, Mr. Hsi Teh-mou, Mr. E. L. Hall-Patch (British) and Mr. A. Manuel Fox (United States), the Minister stated that the board would start work immediately.

Measures Decided On

Refering to the effects of the British and United States freezing orders, Mr. Wang Shih-chien declared that the Chinese Government had decided on measures to cope with the situation:

The four government banks, Bank of China; Central Bank of China; Bank of Communications and Farmers' Bank, have received licences from Great Britain and the United States to supply foreign exchange to Chinese and foreign merchants handling legitimate trade.

The Chinese Government is negotiating with the British and United States authorities, designating the Central Bank to handle Oversea Chinese remittances and prevent them from falling into the hands of the Japanese and Chinese "puppets."

The Chinese Government has decided to enlarge the foreign exchange committee under the Ministry of Finance, which has been empowered to handle all issues connected with freezing. Decisions of the committee will be executed through the Central Bank.—Reuter.

Certain Assets Not Frozen in U.S.

Washington, Aug. 7.

The Treasury Department did not freeze American assets of Italo-German or Sino-Japanese nationals doing business within the British Empire, Russia or other Allied territories, it was learned here yesterday.

The action was announced in an amended general licence granting Axis and China nationals trade privileges in the British Empire, Russia, the Netherlands East Indies, Netherlands West Indies, the Belgium Congo, Ruanda-Urundi, Greenland and Iceland.

Officials pointed out that there was nothing unusual in the action since any Axis nationals transacting business in allied areas were those who have severed connections with their governments.

In the case of Japanese nationals it was recalled that their funds generally had been frozen by the Allied Governments.—United Press.

China Banks to Finance Industrial Concerns

Chungking, Aug. 6.

The Executive Yuan's economic conference has decided that the four Government banks, namely the Bank of China, Central Bank of China, the Bank of Communications and the Farmer's Bank, will each year, finance industrial enterprises to the tune of $60,000,000.

Out of this sum, $10,000,000 will constitute the working fund of the industrial concerns, while the rest will be used to finance purchases of essential raw materials with a view to increasing production.

This decision was taken upon the recommendation of the Ministry of Economic Affairs, following the request of the South-West Industrial Association.—Havas Telemondial.

Japanese Foreign Trade Compensation Fund

Tokyo, Aug. 5.

The Cabinet has decided to establish a Y.50,000,000 fund for export compensation to alleviate repercussions from the various freezing orders against Japan among foreign trade concerns.

The plan, which was approved at the regular session of the Cabinet today, is designed to finance and purchase stocks belonging to export firms whose trade has been adversely affected by the freezing orders, as well as Japan's counter-measures restricting shipments of certain goods to countries which froze Japanese assets.—Domei.

Market in China

Chungking, Aug. 6.

The Stabilization Fund Committee is now engaged in actively preparing a plan regarding the use of funds to stabilize the market and prevent the authorities in occupied China from obtaining foreign currency. Members of the committee conferred several times with economic experts and concrete results have already been obtained.—Havas Telemondial.

Cargo Reinsurance Rates Doubled

Tokyo, Aug. 6.

In view of the increasing risk of marine transportation, the Ministry of Commerce and Industry today announced a wholesale revision of state reinsurance rates of cargo.

The Ministry also changed the classification of ships carrying cargo into two groups, firstly, Japanese ships, and secondly, foreign ships, instead of the present classifications of Japanese ships, neutral ships and ships of other origins.

The revised reinsurance rates, which are double the present charges, are effective in Japan proper from August 8, and in Japanese Colonies on the day the respective colonial governments receive formal notice from the Commerce and Industry Ministry.

The Ministry also decided to fix special rates in case of the application of the exemption clauses provided by state property reinsurance laws against the seizure and capture of ships.—Domei.

More Japanese Firms to Do Indo-China Business

Hanoi, Aug. 10.

Bringing to 23 the number of Japanese firms included in the French Indo-China Import Association, a further ten business concerns were added to the total yesterday.

It will be recalled that the French Indo-China Import Association was formed some months ago for monopolizing and controlling all imports whereby only firms registered with the organization could engage in import business.

The ten firms included the Mitsubishi Shoji Kaisha; the Tokyo Menka Kaisha; the Nippon Menka Kaisha; the Gosho Kabushiki Kaisha; the Daido Boeki Kaisha; C. Itoh & Company; Iwai & Company; Ataka Company; F. Kanematsu & Company; and the Mataichi Yoko.—Domei.

Govt. Regulations for Foodstuff Bonds

Chungking, Aug. 5.

Regulations pertaining to the special treasury bonds known as 'foodstuff bonds' were published by the Government today.

The main characteristic of these bonds lies in the fact that no limit has been fixed for their issue.

A preamble to the regulations specifies that the bonds will be issued by the Ministries of Food and Finance for the duration of the war in order to assure food supplies both for the army and the people.

The bonds are divided into two types: rice and wheat, and bear a 5 per cent. interest rate. They will be redeemed within five years starting in 1943. These bonds can be handed to the authorities in lieu of rice or wheat subjected to land taxes.—Havas Telemondial.

Britain Discontinues War Bond Issue

London, Aug. 8.

Sir Kingsley Wood, Chancellor of the Exchequer, announced in the House of Commons yesterday that the Government was discontinuing its issuance of the 2 1/2 per cent National War Bonds of 1946-48, of which some 400,000,000 pounds sterling is still outstanding.

He said the Government would rely in the future on a single issue—an amalgamation of 3 per cent savings bonds and 3 per cent defence bonds with the life of the latter extended from seven to ten years.—United Press.

Metals Licensed

Tokyo, Aug. 7

The Venezuelan Government on August 1, subjected to a licensing system all exports of iron, copper, aluminum, tin, antimony, zinc, lead and alloys, according to a dispatch received by the Foreign Office.—Domei.

Official Banks Given Licences for Exchange

Aug. 7.

The Shanghai branches of the four Chinese government banks, the Central Bank of China, Bank of China, Bank of Communications and Farmers' Bank of China, have now been granted special permits by Washington through the American Consulate-General in Shanghai enabling them to deal in foreign exchange, it is learned from reliable Chinese sources. Legitimate merchants who want to obtain foreign exchange in order to continue their import business may now apply for their foreign exchange allotments from the four banks which now have been placed on an equal footing with the 14 foreign institutions which were granted the special permits earlier.

It will be recalled that immediately following the announcement of the freezing order in Washington some time ago, it was predicted by Chinese banking circles in Shanghai that a licensing system would be worked out by Washington to enable the Chinese to use their assets in America. It was said that the fact that Chinese assets were also frozen did not indicate that Washington intended to do any harm to the Chinese. Chinese assets had to be frozen in view of the fact that many trade centres in this country are occupied by the Japanese, against whom the freezing order is chiefly directed.

Detailed Applications Required

It is also learned that while applying for foreign exchange allotments from the Government banks, Chinese import merchants must present detailed reports regarding all aspects of their business. Names of the goods they wish to buy and those of the places where they wish to sell must be mentioned clearly. In this connection, it is disclosed by reliable Chinese circles, the Government may probably refuse to grant permits if the goods which the merchants intend to import belong to the category of luxuries. Although the procedure for obtaining foreign exchange allotments will be announced by the Chinese banks having the permits, the regulations governing the granting of such allotments will have to be announced by the Ministry of Finance, it is said. No such Ministrial announcement has yet been brought to the attention of Shanghai residents. The China Stabilization Committee, it is said, will have much to do with the forthcoming improvement of the foreign exchange market here.

Black Market Feared

While the granting of foreign exchange allotments will be thus governed by rigid regulations, reports appearing in the economic sections of the Chinese press indicate that speculators in the black or unofficial foreign exchange market here have already revived their activities. Hope was recently expressed in Chinese circles that such speculations would be done away with as a result of the announcement of freezing order. The reports now say that although the speculators cannot obtain their foreign exchange from banks direct they can do so by posing as representatives of import firms. There is a chance that the market may again fall into the hands of speculators, it is said.

Record Supplementary Expenditure Vote

Hongkong, Aug. 6.

An all-time record Supplementary Expenditure vote of Hk$7,500,000 comes before the Legislative Council tomorrow.

Of this sum almost $5,000,000 is earmarked for special war expenditure, including $3,000,000 for food control and the building up of reserve stocks of essential foods.—Reuter.

Soviet Orders Thawed

Washington, Aug. 7.

The United States has unfrozen millions of dollars worth of Soviet orders in America.—Reuter.

Hongkong & Shanghai Banking Corporation

INCORPORATED IN THE COLONY OF HONGKONG.
THE LIABILITY OF MEMBERS IS LIMITED TO THE EXTENT AND IN MANNER PRESCRIBED BY ORDINANCE NO. 6 OF 1929 OF THE COLONY.

Authorised Capital		HK$50,000,000
Issued and Fully Paid-up		HK$20,000,000
Reserve Funds	Sterling	£6,500,000
	Hongkong Currency	HK$10,000,000
Reserve Liability of Proprietors		HK$20,000,000

Board of Directors:

Hon. Mr. J. J. Paterson, *Chairman*; W. H. Lock, Esq., *Deputy Chairman*; J. K. Bousfield, Esq., A. H. Compton, Esq., L. J. Davies, Esq., Hon. Mr. S. H. Dodwell, G. Miskin, Esq., K. S. Morrison, Esq., Hon. Mr. T. E. Pearce, Hon. Mr. A. L. Shields.

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Shanghai Stock Exchange Official Weekly Share Report with Opening Quotations, Aug. 8, 1941

REPORT No. 31/1941 for week ending August 8 (Friday), compiled by the Shanghai Stock Exchange

Comparative Opening Cash Prices — Quotations in Chinese Dollars unless otherwise stated • H'kong $ — This Friday Morning August 8, 1941				Last Friday Morning August 1, 1941				Business Recorded During Week Closing Friday		STOCKS	Authorised Capital (No. of Shares)	Issued Capital (No. of Shares)	Paid up Value (or Face Value)	Fin-Year ends	Last Dividends, etc.	Paid or due	Business Done Year 1940		Business Done Year 1941		Total No. of Shares Done for		Total Amount of Sales Reported	
Buyers	Sellers	Last Sales	Nom.	Buyers	Sellers	Last Sales	Nom.	Highest	Lowest								Highest	Lowest	Highest	Lowest	Last Week	This Week	1940	8-8-41
										Banks, Finance Companies														
....	20½	20½	....	19.80	....	19.90	....	20½	19.90	Central Properties, Ltd.	5,000,000	180,000	$10	Dec.	Int. $3.00 a/o 1941	15-7-41	25½ May	12 May	23½ July	17.00 Feb	3,050	1,000	138,950	81,300
....	....	....	12	....	....	....	12	....	....	China Bond & Shares Co., Fed. Inc., U.S.A.	200,000	120,000	$10	Dec.	Fin. 6% (Mkg. 12% a/o 1940)	10-3-41	12 Mar	12 Mar	....	....	....	....	500	....
....	....	1.36	....	....	....	1.36	....	....	....	China Finance Corp. Fed. Inc., U.S.A.	400,000	400,000	T5	Dec.	Div. $0.07½ a/o 1940	15-3-41	3.60 Jan	65 May	1.60 Jan	0.90 Feb	....	....	1,511,910	292,100
....	....	1,355.00	....	....	....	1,420.00	....	....	....	Hongkong & Shanghai Banking Corp.	400,000	160,000	H $125	Dec.	Int. £2-10-0 Less I/T a/c 1941	Pending	1,520 Apr	975 June	1,425 July	1,312½ May	5	....	560	186
28½	29.00	28½	....	29.00	29½	29.00	....	30½	28½	Inter. Invest. Trust Co. of China, Ltd.	2,000,000	525,000	T10	Mar.	Int. $1.25 a/o 1941-42	14-7-41	39½ May	8.60 May	32 Jan	18.00 Feb	45,650	21,200	5,683,798	2,806,233
21½	22½	22.00	....	21½	....	22½	....	23.00	21½	Shanghai Loan & Investment Co., Ltd.	700,000	350,000	T5	Dec.	Fin. $2.00 (Mkg. $4.00 a/o 1940)	7-2-41	41½ May	10.40 May	49½ Jan	15.40 Feb	66,580	65,000	3,037,562	2,213,350
....	....	....	....	....	....	....	....	....	....	Shanghai Securities, Ltd.	4,000,000	925,000	$5	Dec.	Int. $1.25 a/o 1941	26-5-41	8.50 May	3.00 May	8.00 Jan	4.75 Feb	....	....	4,126,063	3,359,300
....	....	21.00	....	....	....	21.00	....	....	....	Union Mobiliere	100,000	100,000	$20	Dec.	6% a/o 1940	5-5-41	....	....	21.00 May	21.00 May	....	....	....	2,010
17.80	18.00	17.90	....	18.00	18.30	18.20	....	18.50	17.80	Yangtsze Finance Co., Ltd.	2,000,000	517,500	T10	Mar.	Int. $0.75 a/o 1941-42	14-7-41	24½ Apr	7.05 June	22 Jan	13.20 Feb	87,050	43,150	4,901,308	2,900,195
										Insurances														
....	....	....	29.00	....	....	....	29.00	....	....	American-Asiatic Underwriters (ord.)	75,000	75,000	T10	Dec.	Div. $1.40, a/o 1939	3-6-40	26 Sept	5 Jan	....	....	....	....	7,431	....
....	....	....	200.00	....	....	....	200.00	....	....	Asia Life Insurance Co.	100,000	40,000	*U.S. $5	Dec.	Div. 10% = G $0.50, a/o 1940	12-5-41	....	....	....	....	....	....	....	....
....	....	....	90.00	....	....	....	90.00	....	....	Assurance Franco-Asiatique	70,000	70,000	F100	Dec.	Div. 5%, 1938	10-5-39	....	....	....	....	....	....	....	....
24.00	....	26.00	....	....	....	26.00	....	....	....	International Assurance Co., Ltd.	933,333	280,000	10/-	Dec.	Div. $0.30, 1933 (Nil 1939)	18-5-34	19.70 May	8.90 Jan	31½ Jan	19 Feb	3,070	....	1,024,876	27,662
....	....	395.00	....	....	....	395.00	....	....	....	Union Insurance Society of Canton, Ltd.	800,000	135,000	£6	Dec.	Fin. 12/6 (Mkg. 25/- a/o 1940)	20-6-41	520 Apr	345 July	440 Apr	395 July	....	....	1,279	795
										Lands														
....	....	....	175	....	....	....	175	....	....	Anglo-French Land Invest. Co., Ltd.	25,000	19,335	T100	Feb.	Fin. $8.00 (Mkg. $10.00 a/o 1940-41)	4-4-41	200 Jan	200 Jan	1.75 Mar	175 Mar	....	....	100	23
....	5.00	5.00	....	5.10	5.10	5.10	....	5.00	5.00	Cathay Land Co., Ltd.	500,000	480,374	T10	Dec.	Final 2% = $0.28 (Mkg. 6% 1933) (Nil 1939)	5-5-34	5.10 Feb	1.70 No	5.20 July	2 Jan	1,000	2,000	38,150	41,700
12.10	12.40	12.30	....	12.00	12.20	12.00	....	12.70	12.10	China Realty Co. Fed. Inc., U.S.A.	1,250,000	890,000	$10	Dec.	Int. $0.50 a/o 1941	10-5-41	10.90 Jan	6.30 Oct	14.00 July	8.00 Feb	71,275	39,177	3,471,916	1,381,589
....	....	....	370	....	....	....	370	....	....	Fonciere et Immobiliere de Chine	20,000	20,000	T100	Dec.	Int. $15.00 a/o 1941	29-5-41	275 Feb	275 Feb	....	....	....	....	605	....
....	....	15.00	....	....	....	....	....	....	....	Metropolitan Land Co., Ltd. "A"	500,000	39,800	T10	Sept.	Int. $0.40 a/o 1940-41	7-8-41								
....	....	15.00	....	....	....	....	....	....	....	do. "B"		155,018	T10	Sept.	Int. $0.40 a/o 1940-41	7-8-41	15.70 Feb	9 Jan	15.50 July	12 Mar	....	....	119,666	19,500
....	....	....	9.00	....	....	....	9.00	....	....	San Sing Properties, Ltd.	2,000,000	805,007	$7	Mar.	Int. $1.50 a/o 1941-42	14-7-41	10.00 Nov	7.50 Oct.	6.00 Jan	6.00 Feb	....	....	45,500	5,000
18.20	18.50	18.30	....	17½	17.60	17½	....	18.90	17.30	Shanghai Land Investment Co., Ltd.	2,386,800	2,386,800	(87) T5	Dec.	Div. 6% a/o 1940	22-4-41	20½ Feb	8.80 May	20½ July	10.50 Feb	317,000	282,600	4,007,822	3,516,849
....	F.R.B.	320	....	....	F.R.B.	320	....	....	....	Tientsin Land Investment Co., Ltd.	120,000	64,281	$50	Dec.	Int. F.R.B. $2.00 a/o 1941	16-5-41	....	....	....	....	....	....	....	....
										Docks, Wharves and Transport														
14.00	14.10	14.10	....	13.90	14.00	13.90	....	14.70	13.50	Asia Navigation Co., Ltd.	10,000,000	3,000,000	$10	Dec.	....	....	....	....	16.00 June	10.80 Apr	395,200	257,470	....	1,600,825
26½	27.00	26½	....	26½	27.00	26½	....	27½	26½	Shanghai Dockyards, Ltd.	2,000,000	1,125,000	$10	Sept.	Int. $1.00 a/o 1940-41	30-6-41	75 May	19.10 June	38½ Jan	23 July	138,000	73,650	7,454,687	3,325,803
....	....	440.00	....	....	....	425.00	....	440.00	440.00	Shanghai & Hongkew Wharf Co., Ltd.	80,000	60,000	T100	Dec.	Fin. $33.00 (Mkg. $50.00 a/o 1940)	19-3-41	560 May	267 Jan	475 Feb	400 July	165	25	8,947	2,119
94.00	95.00	94½	....	95½	96.00	95½	....	99.00	93½	Wheelock & Co., Ltd.	1,000,000	478,720	T10	Mar.	Fin. $10.00 (Mkg. $20.00 a/o 1940-41)	Pending	272 Apr	38 July	119 July	78.00 Feb	199,505	60,380	2,960,262	3,011,103
										Utilities														
....	19.20	19.10	....	....	....	17.50	....	20.00	17.40	China General Omnibus Co., Ltd.	500,000	200,000	T10	Dec.	Fin. Div. $0.70 (Mkg. $1.26 a/o 1938) (Nil 1939)	20-4-39	37 May	15 June	22½ Jan	13.30 Feb	8,700	76,010	844,221	310,632
....	17.00	16.80	....	....	....	16.00	....	17.60	16.30	Shanghai Gas Co., Ltd.	700,000	700,000	$10	Dec.	Div. $0.80 a/o 1940	4-4-41	37 May	12.30 Jan	21½ Jan	12.80 May	5,425	10,125	631,429	259,762
....	....	31½	....	30.00	....	31½	....	32½	31.00	Shanghai Telephone Company Fed. Inc. U.S.A.	2,000,000	1,151,420	$10	Dec.	Div. $0.75 a/o 1940	15-1-41	55 May	23 Jan	43½ Jan	29½ July	5,220	5,160	1,644,952	205,346
....	....	40.00	....	....	....	40.00	....	....	....	S'hai Electric Construction Co., Ltd. "Reg."	700,000	670,000	£1	Dec.	Div. 2% a/o 1940 Coupon 58	29-4-41	(54 Apr	41½ Oct	45 Jan	38.00 June	....	....	13,829	2,898
....	....	42½	....	....	....	41½	....	42½	42.00	do. "Bear"							(69½ May	40 June	51 Jan	40 July	4,130	2,500	328,640	82,380
1,000	....	990.00	....	....	....	960.00	....	990.00	990.00	S'hai Waterworks Co., Ltd. "A"	40,236	40,236	£20	Dec.	Int. 8/-a/o 1941	Pending	1,250 May	797 Aug	1,010 July	750 Mar	10	10	1,160	1,086
....	....	40.00	....	....	....	40.00	....	....	....	do. "B"	359,280	108,505	£1	Dec.	Int. 4.8d. a/o 1941	Pending	46 Feb	32½ Jan	40 May	30 Mar	....	....	1,980	3,217
....	....	39½	....	....	....	39½	....	....	....	do. "C"		250,000	£1	Dec.	Int. 4.8d. a/o 1941	Pending	50 Mar	32½ Jan	42 May	30 Mar	....	....	8,815	2,804
										Miscellaneous														
26.00	....	....	....	....	....	....	27.00	26.00	26.00	Auto Palace Co., Ltd.	150,000	118,500	$8	Dec.	Int. $2.00 a/o 1941	13-6-41	24 Dec	16 Jan	26½ Mar	25 Feb	....	50	11,255	6,760
....	....	25.00	....	25.00	....	....	22.00	25½	25.00	Bakerite Co., Fed. Inc., U.S.A. "B"	50,000	49,703	$10	Dec.	Tax. Div. $2.50 on record 31/12/40	10-3-41	24 May	15.50 Oct	19.00 June	16.00 Apr	....	300	5,245	665
44.00	....	45.00	....	44.00	....	45.00	....	....	....	Caldbeck, Macgregor & Co., Ltd. (ord.)	200,000	140,000	T10	Dec.	Fin. $5.00 (Mkg. 7.50 a/o 1940)	30-4-41	38 Apr	18 Jan	47½ June	40 Mar	....	....	13,928	550
89.00	89½	89½	....	83.00	84.00	84.00	....	93½	83½	China Import & Export Lumber Co., Ltd.	500,000	231,803	T10	Feb.	Int. $3.00 a/o 1941-42	15-7-41	81 May	30 May	93½ Aug	41½ Feb	95,110	78,509	744,231	911,720
....	....	38½	....	....	41.00	39.00	....	....	....	Chinese Eng. & Mining Co., Ltd. "Bearer"	2,000,000	1,960,000	£1	June	Div. 9d. a/c 1939-40 Coupon 47	1-4-41	84 May	35½ Oct	57 Jan	36.00 May	600	....	158,146	55,150
....	....	....	4.00	....	....	....	4.00	....	....	Chosen Corporation, Ltd.	750,000	725,000	£1	June	Div. 1/-(Mkg. 1/9d. 1937) Less Tax (Nil 1939)	15-1-35	....	....	....	....	....	....	....	....
38.00	....	37.00	....	....	....	37.00	....	....	....	Cuity Dairy Co. Ltd.	40,000	40,000	T10	Dec.	Div. $2.50 a/o 1940	8-4-41	44 May	35 Aug	37 Feb	35.00 May	....	....	5,132	360
....	....	50.00	....	....	....	50.00	....	....	....	Champ de Course: French	30,000	30,000	$20	Dec.	Div. $1.50 a/o 1934 (Nil 1939)	1-3-35	15 Sept	15 Sept	50.00 July	50.00 July	....	....	....	500
....	....	50.00	....	....	....	50.00	....	....	....	non-French	....	....	....	Dec.	Div. $4.50 a/o 1934 (Nil 1939)	1-3-35	....	....	....	....	....	....	30	....
7.60	7.70	7.65	....	7.50	7.60	7.60	....	7.85	7.55	Ewo Breweries, Ltd.	4,000,000	1,400,000	$5	Dec.	Div. $0.25 a/o 1940	22-4-41	8.25 Dec	6.50 Nov	9.50 Jan	6.15 May	80,625	41,600	1,774,305	3,531,293
....	....	....	34½	34½	....	....	34½	....	....	Hall & Holtz, Ltd.	28,000	26,342	$20	Feb.	Div. 15% = $3, a/o 1940-41	29-5-41	34 Aug	25 Feb	....	....	....	....	1,532	....
....	....	....	3.00	....	....	....	3.00	....	....	Hongkong & Shanghai Hotels, Ltd.	1,500,000	1,193,867	H $7.50	Dec.	Div. Hk. $0.25 a/o 1940	16-4-41	....	....	....	....	....	....	....	....
....	....	....	11.00	....	....	....	11	....	....	Kelly & Walsh Ltd.	75,000	45,000	$10	Feb.	In. $0.50 a/o 1940-41	19-2-41	....	....	....	....	....	....	....	....
33½	34.00	33½	....	32½	33.00	32½	....	35.00	32.00	Metal Industries of China, Ltd.	2,000,000	500,000	$5	Dec.	Fin. $5.00 (Mkg. $7.00 a/o 1940)	24-3-41	55 May	17.10 June	37 July	21½ Apr	....	....	3,900,210	....
....	....	9.00	....	....	....	9.00	....	9.00	9.00	Millington, Ltd.	300,000	110,000	$4	Dec.	Fin. 5% = $0.60 (Mkg. $0.80 a/o 1940)	6-5-41	8.00 Mar	6.00 Sept	9.00 July	6.00 Mar	211,200	200,600	2,095	3,777,623
40.00	....	....	....	....	....	....	30.00	....	....	Moutrie & Co., Ltd.	10,000	9,970	$50	Mar.	....	....	....	....	....	....	....	2,600	....	3,850
....	....	....	3.00	....	....	....	3.00	....	....	Office Appliance Co., Ltd.	80,000	60,000	T8.50	Dec.	Div. $1.00 a/o 1939	26-6-40	....	....	....	....	138,950	82,900	....	2,854,700
....	5.25	5.20	....	5.15	....	5.20	....	5.40	5.10	Paper Industries Ltd.	5,000,000	1,320,000	$5	Dec.	Int. $0.25 a/o 1941	9-6-41	....	....	5.95 July	4.20 Apr	595,350	221,149	....	7,264,730
24½	25½	25½	....	31.00	31½	31½	....	27½	24½	S'hai Exploration & Development Co., Ltd.	1,200,000	860,039	T2.50	Dec.	Int. $2.00, Bonus $2.00 a/o 1941	Pending	34 May	8.60 Jan	34.00 July	18.60 Apr	....	....	9,922,252	6,165
....	....	2.25	....	....	....	2.25	....	....	....	S'hai Waterworks Fittings Co., Ltd.	500,000	301,765	T1	Dec.	Div. 15% a/o 1940	1-5-41	435 Apr	1.90 Jan	2.50 Apr	2.20 June	....	....	20,478	41,475
....	18½	19.00	....	....	....	19.00	....	....	....	Union Brewery, Ltd.	500,000	200,000	T10	Dec.	Div. $1.25, a/o 1933 (Nil 1939)	27-5-34	10.80 Apr	4.25 Mar	19.00 July	9.00 Jan	....	....	32,325	....
										Bonds and Preferences														
....	....	100.00	....	....	....	100.00	....	....	....	American-Asiatic Underwriters, Cum. Pref. 8%	5,000	5,000	T100	Dec.	4% for ½ year ended 30 June 1940	29-6-40	120 Sept	85 Apr	100.00 May	100.00 May	....	....	262	117
....	....	....	120.00	....	....	....	120	....	....	do. Cum. Pref. 7%	7,500	7,500	T100	Dec.	3½ = $4.89 for ½ year ended 31-3-41	31-3-41	115 Aug	75 Feb	....	....	....	....	320	....
....	....	17.00	....	....	....	17.00	....	....	....	Caldbeck, Macgregor & Co., Ltd. 8% cum. pref	100,000	80,000	T10	Dec.	Div. 8% = $1.12 for 1940	30-4-41	15 July	15 July	17.00 June	13½ May	....	....	950	1,475
....	....	....	3.00	....	....	....	3.00	....	....	Ch. Finance Corp. Fed. Inc. U.S.A. (Pref.) 8%	600,000	205,135	T5	Dec.	Quarterly Div. Tis. 0.10 = $0.14, 1938	30-12-33	2.00 Dec	2.00 Dec	....	....	....	....	150	....
....	....	180.00	....	....	....	180.00	....	....	....	Ewo Cotton Mills, Ltd. 8% cum. pref	10,000	9,000	T100	Dec.	Div. Tis. 8 = $11.19, 1939	2-5-40	160 May	160 May	180.00 Feb	180.00 Feb	....	....	221	86
137.00	137½	137½	....	137.00	....	137½	....	137½	137.00	S'hai Power Co. Tis. 6 cum. Pref. stock	230,000	220,000	T100	Dec.	2nd or Div. Tis. 1.50 (Mkg. Tis. 3.00 a/o 1941)	3-7-41	138½ Sept	120 May	138½ July	128 Feb	315	722	38,530	18,292
....	....	....	73	....	....	....	73.00	....	....	Shanghai Tug & Lighter Co., Ltd., 7% pref	10,000	10,000	T50	Dec.	Fin. 3½% (Mkg. 7% a/o 1940)	28-3-41	....	....	61½ Mar	59.00 Apr	....	....	....	39
....	....	13.70	....	....	....	13.70	....	....	....	S'hai Waterworks Co., Ltd. 7% cum. pref.	100,000	100,000	T10	Dec.	3½ = $0.49 for half year ended 30-6-41	Pending	15 May	13½ Apr	13.70 Mar	13.70 Mar	....	....	2,400	450
....	....	13½	....	....	....	13½	....	....	....	do. 6% cum. pref.	100,000	100,000	T10	Dec.	3½ = $0.45 for half year ended 30-6-41	Pending	14.20 Sept	13.50 Oct	14.00 July	13½ Feb	....	....	7,340	2,495
										Cottons														
36.00	36½	36½	....	36½	36½	36½	....	37½	35½	Ewo Cotton Mills, Ltd., Ordinary	2,000,000	1,687,500	T5	Dec.	Fin. $4.50 (Mkg. $6.00 a/o 1940)	7-5-41	82 May	27 July	53 Jan	31½ July	250,100	133,117	6,433,028	4,447,325
....	....	8.00	....	7.90	....	8.00	....	8.40	7.80	New China Textile Co., Ltd.	2,000,000	1,440,600	$5	Dec.	Fin. $0.75 a/o 1940	28-3-41	9.80 Oct	6.10 Oct	10.30 Jan	5.40 May	62,800	21,540	2,565,275	1,930,966
....	....	315.00	....	....	....	315.00	....	....	....	Shanghai Cotton Mfg. Co., Ltd.	240,000	240,000	$50	Apr.	Fin. $7.50 (Mkg. $15.00 a/o 1940-41)	30-5-41	244 May	154 Oct	315.00 July	185 Feb	150	....	7,859	7,791
....	5.70	5.70	....	5.70	....	5.75	....	5.95	5.60	Shanghai Worsted Mill, Ltd.	1,000,000	1,000,000	$5	Mar.	Div. $0.25 a/o 1940-41	7-7-41	7.35 Dec	6.60 Dec	7.35 Jan	4.75 Apr	87,195	32,550	684,455	424,170
....	....	90.00	....	....	....	90.00	....	....	....	Tung Yih Spinning & Weaving Co., Ltd.	400,000	255,000	$10	Dec.	Div. $7.50 & Bonus $7.50 a/o 1940	12-3-41	83½ Dec	80 Aug	105 Feb	90.00 Jan	....	....	170	556
....	....	....	73.00	....	....	....	73.00	....	....	Zoong Sing Cotton Mills, Ltd.	200,000	150,000	$10	June	Int. $15.00 a/o 1940	25-11-40	75 Aug	47 Jan	70.00 Jan	70.00 Jan	....	....	5,150	200
										Plantations														
....	....	50.00	....	....	....	50.00	....	....	....	Alma Estates, Ltd.	70,000	70,000	(Tls. 9)£1	Sept.	Fin. $5.00 (Mkg. $8.00 a/o 1939-40)	27-12-40	61 May	35 June	52 Mar	47½ Mar	....	....	24,694	2,580
....	17.00	16.80	....	....	17.00	16.10	....	17.10	16.50	Anglo-Dutch (Java) Plantations, Ltd.	400,000	350,000	10s	Dec.	Fin. $1.50 (Mkg. $3.00 a/o 1940)	28-5-41	34 Feb	8.80 July	25.00 Jan	14.80 June	7,400	3,350	661,660	390,479
30.00	....	30½	....	30½	30½	30½	....	31½	29½	Anglo-Java Estates, Ltd.	500,000	496,000	10s	Dec.	Fin. $2.00 (Mkg. $5.00 a/o 1940)	18-7-41	61 May	18.20 June	49½ Jan	27 July	39,325	11,515	1,579,801	1,197,834
....	....	6.10	....	....	....	6.10	....	....	....	Ayer Tawah Rub. Plantation Co., Ltd.	500,000	335,499	T1	Sept.	Int. $0.40 a/o 1940-41	2-8-41	11.70 Feb	4.25 Aug	7.20 Jan	5.05 Apr	....	....	50,464	4,933
1.40	....	1.52	....	....	....	1.52	....	1.46	1.46	Batu Anam (Johore) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	Fin. $0.20 (Mkg. $0.30 a/o 1940)	7-5-41	2.90 Feb	81 May	1.70 Jan	1.20 Feb	11,000	1,000	1,240,646	212,961
....	7.30	7.20	....	....	....	7.20	....	7.15	7.15	Bute Plantation S. (1913), Ltd.	500,000	353,698	T1	Dec.	Fin. $0.80 (Mkg. $1.40 a/o 1940)	2-5-41	15 Feb	6.00 May	8.20 Jan	5.50 Feb	....	2,000	180,980	53,320
....	....	2.20	....	....	....	2.20	....	2.27½	2.20	Ch[illegible] Rubber Co., Ltd.	1,200,000	956,804	T0.10	Dec.	Fin. $0.30 (Mkg. $0.40 a/o 1940)	25-3-41	5.20 Feb	1.55 May	3.05 Jan	1.90 June	3,000	10,100	1,379,647	256,301
0.85	0.90	0.88	....	....	....	0.85	....	0.99	0.86	Cheng Rubber Estates, Ltd.	1,095,850	1,055,438	T0.10	June	Div. $0.05 a/o 1939-40	1-10-40	1.74 Jan	0.50 May	0.99 Aug	0.70 Feb	36,000	64,012	4,860,615	654,912
7.10	....	7.25	....	....	....	7.00	....	7.30	7.25	Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	2/-	Dec.	Fin. $0.53 (Mkg. $1.23 a/o 1940)	2-5-41	14.50 Feb	4.95 May	8.20 Jan	5.80 Feb	3,500	3,000	606,585	76,835
9.80	....	9.90	....	....	....	10.00	....	9.90	9.90	Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	Fin. $0.80 (Mkg. $1.80 a/o 1940)	30-4-41	10.00 Feb	8.95 July	12 Jan	8.75 May	....	1,000	163,631	20,209
....	....	....	62.00	....	....	....	62.00	....	....	Gula-Kalumpong Rub. Ests., Ltd.	750,000	665,000	£1	Dec.	Div. 5% 1938 Less I/T (Coupon 35)	6-4-39	....	....	....	....	....	....	....	....
....	....	3.20	....	....	....	3.20	....	....	....	Java-Cons. Rub. & Coffee Ests., Ltd.	850,000	750,000	2/-	Dec.	Fin. $0.50 (Mkg. $0.75 a/o 1940)	14-5-41	7.70 Feb	2.15 June	4.70 Jan	3.20 July	1,000	....	935,471	172,350
....	....	....	10.00	....	....	....	10.00	....	....	Kapayang Rubber Estates Co., Ltd.	15,000	14,800	T10	Dec.	Fin. $3.00 a/o 1940	23-6-41	40 May	18.00 July	15 Feb	15 Feb	....	....	3,300	816

Plantations

....	....	50.00	....	....	....	50.00	....	....	....	Alma Estates, Ltd.	70,000	70,000	(Tls. 9)£1	Sept.	Fin. $5.00 (Mkg. $8.00 a/c 1939-40)	27-12-40	61 May	35 June	52 Mar	47½ Mar	....	....	24,691	2,580
....	17.00	16.80	....	....	17.00	16.70	....	17.10	16.50	Anglo-Dutch (Java) Plantations, Ltd.	400,000	350,000	10s	Dec.	Fin. $1.50 (Mkg. $3.00 a/c 1940)	28-5-41	34 Feb	8.80 July	25.00 Jan	14.80 June	7,400	3,350	661,660	390,479
30.00	....	30½	....	30½	30½	30½	....	31¼	29½	Anglo-Java Estates, Ltd.	500,000	496,000	10s	Dec.	Fin. $2.00 (Mkg. $5.00 a/c 1940)	18-7-41	61 May	18.20 June	49½ Jan	27 July	39,325	11,515	1,579,801	1,197,834
....	....	6.10	....	....	....	6.10	....	....	....	Ayer Tawah Rub[illegible] Plantation Co., Ltd.	500,000	335,499	T1	Sept.	Int. $0.40 a/c 1940-41	2-8-41	11.70 Feb	4.25 Aug	7.20 Jan	5.05 Apr	....	....	50,464	4,933
1.40	....	1.52	....	....	....	1.52	....	1.46	1.46	Batu Anam (Jo[illegible]e) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	Fin. $0.20 (Mkg. $0.30 a/c 1940)	7-5-41	2.90 Feb	81 May	1.70 Jan	1.20 Feb	11,000	1,000	1,240,646	242,961
[illegible]	7.30	7.20	....	....	....	7.20	....	7.15	7.15	Bute Plantatio[illegible] (1913), Ltd.	500,000	353,698	T1	Dec.	Fin. $0.80 (Mkg. $1.40 a/c 1940)	2-5-41	15 Feb	6.00 May	8.20 Jan	5.50 Feb	....	2,000	180,980	53,320
[illegible]	....	2.20	....	....	....	2.20	....	2.27½	2.20	Ch[illegible] Rubber Co., Ltd.	1,200,000	956,804	T0.10	Dec.	Fin. $0.30 (Mkg. $0.40 a/c 1940)	25-3-41	5.20 Feb	1.55 May	3.05 Jan	1.90 June	3,000	10,100	1,379,647	256,301
[illegible]	0.90	0.88	....	....	....	0.85	....	0.99	0.86	Cheng Rubber Estates, Ltd.	1,095,850	1,051,438	T0.10	June	Div. $0.05 a/c 1939-40	1-10-40	1.74 Jan	0.50 May	0.99 Aug	0.70 Feb	36,000	64,012	4,860,615	654,912
7.10	....	7.25	....	....	....	7.00	....	7.30	7.25	Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	2/-	Dec.	Fin. $0.53 (Mkg. $1.23 a/c 1940)	2-5-41	14.50 Feb	4.95 May	8.20 Jan	5.90 Feb	3,500	3,000	506,585	76,835
9.80	....	9.90	....	....	....	10.00	....	9.90	9.90	Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	Fin. $0.80 (Mkg. $1.80 a/c 1940)	30-4-41	19.00 Feb	8.95 July	12 Jan	8.75 May	....	1,000	163,681	20,200
....	....	....	62.00	....	....	....	62.00	....	....	Gula-Kalumpong Rub. Ests., Ltd.	750,000	665,000	£1	Dec.	Div. 5% 1938 Less I/T (Coupon 35)	6-4-39	....	....	....	....	....	....	....	....
....	....	3.20	....	....	....	3.20	....	....	....	Java-Cons. Rub. & Coffee Ests., Ltd.	850,000	750,000	2/-	Dec.	Fin. $0.50 (Mkg. $0.75 a/c 1940)	14-5-41	7.70 Feb	2.15 June	4.70 Jan	3.20 July	1,000	....	935,271	172,350
....	....	....	19.00	....	....	....	19.00	....	....	Kapayang Rubber Estates Co., Ltd.	15,000	14,800	T10	Dec.	Fin. $3.00 a/c 1940	23-6-41	40 May	18.00 July	15 Feb	15 Feb	....	....	3,300	816
4.90	....	5.00	....	....	....	5.10	....	5.00	5.00	Kota Bahroe Rub. Ests. (1921), Ltd.	500,000	461,804	T0.75	June	Int. $0.20 a/c 1940-41	9-5-41	10.10 Feb	4.00 May	5.80 Jan	3.90 Feb	....	2,000	573,445	87,385
1.98	2.05	2.00	....	1.94	....	2.00	....	2.10	2.00	Kroewoek Java Plantations, Ltd.	2,200,000	2,200,000	T0.10	Dec.	Fin. $0.15 (Mkg. $0.40 a/c 1940)	3-6-41	4.70 Feb	1.30 June	3.45 Jan	1.80 June	44,000	7,000	4,340,580	993,700
....	21½	21½	....	20½	....	20½	....	21½	20½	Langkat	300,000	250,000	Gs.10	Oct.	Div. Guilders 0.10 a/c 1939-40	5-8-41	47½ May	12.50 July	37 Jan	19.60 June	27,400	13,400	1,854,788	1,315,301
....	....	2.90	....	....	....	2.90	....	....	....	Padang Rubber Co., Ltd.	500,000	500,000	T1	Apr.	Fin. $0.30 (Mkg. $0.45 a/c 1940-41)	Pending	5.20 Feb	1.68 June	3.15 Jan	2.25 June	....	....	756,251	84,050
....	....	1.10	....	....	....	1.10	....	....	....	Permata Rubber Ests., Ltd.	350,000	317,219	$1	Oct.	Fin. $0.20 (Mkg. $0.28 a/c 1939-40)	19-3-41	3 Feb	0.90 May	1.44 Jan	1.10 May	....	....	336,006	8,000
....	1.30	1.20	....	....	....	1.26	....	1.30	1.20	Repah Rubber & Tapioca Ests., Ltd.	1,350,000	1,350,000	T0.10	Dec.	Fin. $0.12 (Mkg. $0.22 a/c 1940)	17-4-41	2.60 Feb	0.81 July	1.50 Jan	1.04 Feb	....	4,000	2,072,462	175,393
11.40	11¼	11.30	....	11.30	11.80	11½	....	11.80	11.30	Rubber Trust, Ltd.	25,000,000	1,082,000		Sept.	Int. $0.50 a/c 1940-41	16-7-41	16.30 May	6.20 July	13.20 Jan	8.00 Feb	35,100	8,600	2,058,224	506,182
1.84	1.90	1.86	....	1.84	....	1.88	....	1.90	1.86	Samagaga Rubber Co., Ltd.	6,000,000	1,011,000	T0.10	Sept.	Fin. $0.20 (Mkg. $0.35 a/c 1939-40)	27-12-40	3.55 May	1.28 June	2 Jan	1.36 Feb	8,000	9,000	1,003,635	219,850
1.26	....	1.36	....	....	....	1.36	....	....	....	Semambu Rubber Ests., Ltd.	900,000	900,000	T0.10	Dec.	Fin. $0.10 (Mkg. $0.20 a/c 1940)	8-4-41	3.10 Feb	0.85 May	1.54 Jan	1.08 June	....	....	712,995	118,300
2.20	....	2.25	....	2.00	....	2.10	....	2.35	2.20	Senawang Rub. Ests. Co. (1921), Ltd.	1,140,000	1,140,000	T0.10	Jan.	Fin. $0.15 (Mkg. $0.25 a/c 1940-41	11-7-41	3.60 May	0.99 July	2.30 Aug	1.28 Feb	5,000	25,250	2,983,168	910,395
9.90	10.00	9.95	....	9.60	....	10.00	....	9.90	9.80	Shanghai Kedah Plantations, Ltd.	400,000	300,000		Sept.	Int. $0.60 a/c 1940-41	4-7-41	18¼ Feb	6.55 June	13.20 Jan	9.25 Apr	....	13,500	151,420	44,335
....	0.84	0.82	....	0.78	0.81	0.80	....	0.86	0.81	S'hai Kelantan Rub. Ests. (1925), Ltd.	1,400,000	1,400,000	T0.10	Dec.	Fin. $0.10 (Mkg. $0.13 a/c 1940)	25-4-41	1.78 Jan	0.62 June	1.02 Jan	0.70 Feb	54,000	19,000	5,702,787	669,100
....	....	44.00	....	....	....	44.00	....	....	....	S'hai Malay Rub. Ests., Ltd. ord.	30,000	30,000	T10	Dec.	Fin. $6.00 (Mkg. $7.00 a/c 1940)	14-5-41	55.00 Mar	35 Aug	50.00 Mar	48.00 June	....	....	6,173	1,050
....	....	65.00	....	....	....	65.00	....	....	....	8% cum. part. pref.	30,000	27,380	T10				70 Aug	30 Jan	70.00 May	63.00 June	....	....	1,014	274
....	....	4.50	....	4.20	....	4.65	....	4.50	4.50	S'hai Pahang Rubber Estate, Ltd.	300,000	235,900	T1	June	Int. $0.12 a/c 1940-41	9-5-41	10.50 Feb	2.90 July	5.70 Jan	3.90 May	....	8,000	437,580	56,110
....	....	2.75	....	....	2.90	2.65	....	2.80	2.75	S'hai Seremban Rubber Estates, Ltd.	325,000	325,000	T1	Dec.	Div. $0.40 a/c 1940	23-6-41	4.95 Feb	1.52 July	2.90 Jan	2.05 June	3,000	5,000	304,657	95,000
....	....	30.00	....	....	....	30.00	....	....	....	S'hai Sumatra Rubber Ests., Ltd.	120,000	76,956	T5	Oct.	Div. $4.00 a/c 1940	16-4-41	48 Mar	21.00 Aug	40 Jan	34 Mar	....	....	43,060	1,786
....	....	2.05	....	....	....	2.22½	....	....	....	Sua Manggis Rubber Co., Ltd.	280,000	270,000	T1	Dec.	Div. $0.40 a/c 1940	21-3-41	4.25 Feb	1.50 June	2.45 Jan	1.78 May	1,000	....	118,040	40,300
....	....	8.00	....	7.80	....	8.00	....	....	....	Sungala Rubber Estate, Ltd.	180,000	180,000	T1	Mar.	Fin. $0.90 (Mkg. $1.50 a/c 1940-41)	15-7-41	14.40 Feb	5.40 May	8.70 Jan	6.50 Feb	....	....	187,174	15,903
....	....	51.00	....	....	....	51	....	....	....	Sungei Duri Rubber Estate, Ltd.	40,000	40,000	(T8.50)£1	June	Int. $2.50 a/c 1940-41	9-5-41	89 Mar	49 June	60.00 Jan	40.00 Feb	....	....	15,910	2,790
3.22½	....	3.30	....	3.35	3.45	3.35	....	3.30	3.27½	Tanah Merah Estates (1916), Ltd.	1,500,000	1,300,000	T1	Mar.	Fin. $0.50 (Mkg. $0.70 a/c 1940-41)	25-7-41	6.05 May	2.25 May	4.20 Jan	2.30 Feb	57,000	11,000	1,935,110	387,420
1.40	....	1.42	....	1.38	1.42	1.40	....	1.46	1.38	Tebong Rubber Estate, Ltd.	4,000,000	4,000,000	T0.10	Jan.	Fin. $0.15 (Mkg. $0.25 a/c 1940-41)	22-7-41	3.05 May	0.98 July	1.96 Jan	1.20 Feb	44,000	37,300	7,401,445	1,427,361
....	....	19.00	....	....	19.20	19.20	....	20.00	18.90	Ziangbe Rubber Co., Ltd.	300,000	250,000	10s	Dec.	Fin. $1.40 (Mkg. $2.90 a/c 1940)	16-6-41	43½ Feb	12.00 July	29½ Jan	16.80 June	7,800	2,600	652,723	359,325

Rubber Output Statistics

COMPANY	Paid up Capital $	Output last fin. year. Year ended	Output last fin. year. Quantity (lbs.)	Provisional Assessments of Standard Production for 1941	Output for month of May 1941 (lbs.)	Total output this financial year (including May 1941) (lbs.)
Alma	881,119	30-9-40	627,759	695,800	54,700	423,966 (8)
Anglo-Dutch	2,202,797	31-12-40	1,748,686	—	166,227	817,905 (5)
Anglo-Java	2,227,288	31-12-40	3,918,079	—	352,295	1,681,669 (5)
Ayer Tawah	469,229	30-9-40	600,000	746,000	66,281	456,281 (8)
Batu Anam	134,266	31-12-40	489,799	533,400	44,263	207,707 (5)
Bute	494,682	31-12-40	644,052	795,500	54,033	283,818 (6)
Chemor United	133,819	31-12-40	611,667	360,600	49,142	242,775 (5)
Cheng	147,054	30-6-40	260,551	402,200	30,255	357,727 (11)
Consolidated (1941)	562,844	31-12-40	1,098,732	1,483,200	102,970	517,336 (5)
Dominion	279,720	31-12-40	627,049	808,000	57,369	296,130 (5)
Gula-Kalumpong	2,665,000	—	—	—	—	—
Java Consolidated	909,249	31-12-40	882,051	—	86,420	424,164 (5)
Kapayang	206,993	31-12-40	165,941	189,300	13,416	74,093 (5)
Kota Bahroe (1921)	484,410	30-6-40	594,484	917,900	52,099	743,735 (11)
Kroewoek	307,692	31-12-40	1,215,606	—	116,182	541,015 (5)
Langkat	2,552,448	31-10-40	1,247,500	1,699,969	117,000	855,000 (7)
Padang	699,301	30-4-41	394,300	450,500	30,600	30,600 (1)
Permata	317,219	31-10-40	100,285	—	8,220	71,566 (7)
Repah	188,811	31-12-40	521,055	628,600	55,839	236,857 (5)
Rubber Trust	1,513,287	30-9-40	1,609,656	146,400	183,640	1,622,997 (8)
Samagaga	141,399	30-9-40	467,080	555,700	46,950	323,620 (8)
Semambu	125,874	31-12-40	361,594	510,100	33,104	162,479 (5)
Senawang 1921) {Ord. {Pref.	206,913	31-1-41	575,600	—	42,600	177,600 (4)
Shanghai Kedah	419,580	30-9-40	726,547	977,997	85,513	647,325 (8)
S'hai Kelantan (1935)	195,804	31-12-40	309,543	372,025	31,580	158,489 (5)
Shanghai Malaya {Ord. {Pref.	802,517	31-12-40	569,301	730,000	49,042	218,457 (5)
Shanghai Pahang	329,930	30-6-40	414,573	632,000	44,732	486,455 (11)
Shanghai Seremban	454,545	31-12-40	232,008	399,000	19,025	86,926 (5)
Shanghai Sumatra	538,154	31-10-40	676,595	918,595	66,067	463,070 (7)
Sua-Manggis	377,622	31-12-40	197,440	259,100	18,000	104,100 (5)
Sungala	252,000	31-3-41	415,900	472,000	36,500	69,800 (2)
Sungei Duri	475,524	30-6-40	477,000	695,400	46,400	530,100 (11)
Tanah Merah (1916)	1,818,182	31-3-41	1,102,500	1,348,585	99,753	188,753 (2)
Tebong	559,441	31-1-41	1,260,076	1,458,900	128,564	436,736 (4)
Ziangbe	1,440,619	31-12-40	1,381,349	—	151,987	769,185 (5)

TO-DAY EXCHANGES:—Hongkong & Shanghai Bank's Selling Rates (T/T) Closing August 8th, 1941 (noon). London £1 at Exch. 2-15/16=Sh. $81.70. New York $1.00 (U.S. Currency) at Exch. 4¾=Sh. $20.51

Rubber Prices

August	2nd	4th	5th	6th	7th	8th
London Spot (Buyers)	13.1/2d	NOTHING RECEIVED	—	13.1/2d	13.1/2d	13.9/16d
September	13.9/16d		—	13.9/16d	13.9/16d	13.5/8d
October	13.9/16d		—	13.9/16d	13.9/16d	13.5/8d
November	13.9/19d		—	13.9/16d	13.9/16d	13.5/8d
December	13.9/16d		—	13.9/16d	13.9/16d	13.5/8d
Market	Fully steady		—	Idle, quiet	Steady	Steadier
Singapore Spot	38¼		38¼	38¼	38¼	38¼
Oct./Dec.	37¾		37¾	38	38	38¼
Jan./Mar.	37¾		37¾	37¾	37¾	37¾
Market	Quiet		Quiet	Quiet	Quiet	Quiet
New York						
September	23.40		—	22.50	22.35	22.50
December	22.00		—	22.20	22.35	22.50
January	20.60		—	22.40	20.40	20.40
March	—		—	20.30	20.30	20.30

Debenture

		OPENING PRICES Aug. 8th 1941 Buyers	Sellers	Last Sales	Nominal	Loan amount outstanding	Interest payable at end of	LAST DONE Price	Date	Business Done 1941 High	Low	Total amount of sales JAN. 1—AUG. 8 1941
		*Interest	&	Drawing								
S'hai Mun. Council	6% 1926 (10/30) Tls.	100	..	97½	..	Tls. 4,880,000	June-Dec.	96	9-6-41	97	90	177,600
" " "	5% 1934 (10/30) $	..	..	..	86	$10,404,700	do.	92	16-7-41	92	76	1,278,300
" " "	5½% 1936 (10) "	..	..	..	95	$5,000,000	do.	95	8-8-41	95	85	221,200
" " "	5% 1937 (10/30) "	..	..	86½	..	$9,000,000	do.	86	25-7-41	92	78	31,300
" " "	6% 1940 (1/10) "	100	..	..	..	$16,000,000	do.	101	8-8-41	101	90½	2,730,900
" " "	6% 1941 (1/10) "	100	101	101	..	$9,000,000	do.	101	8-8-41	101	95	6,268,700
French Mun. Council	5½% 1914 (10/30) Tls.	95	..	96	..	117,000	do.	96	6-8-41	96	81	53,400
" " "	5½% 1916 (") "	95	..	..	..	102,900	do.	91½	9-2-39	—	—	—
" " "	8% 1921 (") "	98	..	..	..	1,272,400	do.	94	19-6-41	94	91½	69,100
" " "	6% 1923 (") "	94	..	..	..	585,400	May-Nov.	89	6-6-41	89	89	66,100
" " "	7% 1924 (") "	97	..	..	..	631,100	Mar-Sept.	93	21-7-41	93	90	33,300
" " "	6½% 1925 (20/30) "	96	..	..	..	2,000,000	Apr-Oct.	90	18-6-41	90	90	74,000
" " "	6½% 1926 (") "	96	..	..	..	1,000,000	Jan.-July	92	21-7-41	92	90	155,400
" " "	6% 1930 (10/25) "	95	..	..	..	1,470,000	Apr.-Oct.	89	16-12-40	—	—	—
" " "	6% 1931 (") "	95	..	..	..	3,000,000	Feb.-Aug.	90	21-7-41	90	88	158,600
" " "	6% 1933 (10/30) "	95	..	..	..	2,000,000	Mar.-Sept.	90	30-6-41	90	90	5,000
" " "	5% 1934 (") $	80	..	..	..	$5,000,000	Jan.-July	75	21-7-41	75	70	56,600
" " "	6% 1936 (10/15) "	95	..	..	..	$2,500,000	May-Nov.	92	8-7-41	92	88	340,000
American Club	4% 1939 (13)p "	65	..	66	..	$1,040,230	June-Dec.	66	14-7-41			
" "	4% 1939 (14)p "	65	..	66	..	—	do.	66	14-7-41	66	40	30,910
Anglo-French Land	6% 1931 (10/20) Tls.	99	..	..	..	1,000,000	do.	92	27-2-41	92	91	800
Asia Realty Co.	6% 1930 (10/30)c "	75	..	75	..	1,360,200	1/3-1/9	75	31-7-41			
	6% 1930 (10/30)r "	75	..	75	..	3,000,000	1/4-1/10	75	31-7-41	80	50	139,400
Cathay Land Co.	6% 1930 (5/20) "	99	..	100	..	3,000,000	June-Dec.	99	22-7-41	99	80	251,800
" " "	6% 1932 (10/20) $	98	..	99	..	1,000,000	do.	87	26-5-41	87	80	83,000
" " "	6% 1933 (") "	98	..	98	..	$1,500,000	do.	99	21-7-41	99	80	156,500
Central Properties	5½% 1934 (10) "	98	..	..	..	$18,000,000	do.	98	20-6-41	98	90½	1,268,000
China Transport	8% 1931 (4/20) Tls.	75*	..	..	70	600,000	June-Dec.	100	15-5-34	—	—	—
City Loan	7% 1932 (20) $	..	..	..	..	$6,000,000	15/6-15/12	56	9-6-41	60	56	2,500
"	7% 1934 (12) "	..	..	..	40	$3,500,000	30/6-30/12	92	16-7-37	—	—	—
Columbia Country Club	7% 1933 (1/12-20) Tls.	..	..	80	..	350,000	June-Dec.	80	9-6-41	80	80	1,000
Country Club	6% 1901 (Perpl) "	54	..	..	..	122,100	do.	95	18-2-37	—	—	—
Fonciere et Immob.	{6% 1930 (10/15) "	..	..	..	95	1,984,000	do.	94	29-10-40	—	—	—
	{6% 1933 (10/15) "	..	..	..	94	1,730,000	do.	94	29-10-40	—	—	—
Fonciere et Immob.	7% 1934 (") $	..	..	..	94	$1,925,000	do.	94	29-10-40	—	—	—
French Club	Tls.	..	..	..	60	500,000	do.	82	5-3-37	—	—	—
Int. Invest. Trust	6% 1930 (10/25) "	..	..	..	99½	1,951,000	1/4-1/10	88	5-12-40	—	—	—
" "	6% 1931 (") "	..	..	..	99½	963,000	1/4-1/10	88	5-12-40	—	—	—
Marden	5½% 1941 (") "	..	..	97	99½	—	—	97	31-7-41	97	96½	228,000
Metropolitan Land	6% 1933 (10/20) $	90	..	..	..	$1,873,700	30/6-31/12	81	16-5-41	81	80	31,000
Race Club	6% 1934 (10/25) "	..	..	..	90	$2,000,000	Feb.-Aug.	90	18-11-40	—	—	—
Shanghai Land Invest.	6% 1926 (20/30) Tls.	99	..	..	..	1,000,000	Mar.-Sept.	94	12-4-40	—	—	—
" " "	6% 1933 (5/20) "	86	..	..	..	500,000	do.	—	—	—	—	—
" " "	5% 1930 (15) "	99	..	..	..	5,000,000	May Nov.	76	15-4-40	—	—	—
" " "	5% 1934 (5/40) $	99	..	..	..	$3,570,000	Apr.-Oct.	74	3-10-41	—	—	—
Shanghai Power Co.	5½% 1933 (10/40) "	99	97½	98	..	$88,000,000	10/2-10/8	97½	8-8-41	102	88½	3,759,100
Telephone Co. "A"	6% 1932 (10/25)r Tls.	102½	..	100	..		1/2-1/18	100	30-6-41	100	91½	141,700
" " "B"	6% 1933 (9/24)c $	102½	..	100	..	5,000,000	1/2-1/8	100	21-7-41			
" " "B"	6% 1933 (9/24)r "	102½	..	100	..	$10,000,000	1/2-1/8	100	21-7-41	100	94	316,800
" " "C"	6% 1937 (20) "	102½	..	100	..	$4,000,000	1/2-1/8	83½	10-1-39			
Tientsin Land Invest.	7% 1929 (12/22) Tls.	..	..	..	105	1,446,600	June-Dec.	103	22-12-33	—	—	—
Shanghai Waterworks	6% 1932 (10/30) "	98½	..	95	..	2,800,000	do.	92	10-2-41	92	91	3,000
"	5½% 1937 (") $	90	..	..	..	$2,000,000	do.	95	14-7-41	95	83	2,000
"	5% 1937 (") "	86	..	..	..	$725,000	do.	77	5-9-40	—	—	—
Wing On Co. (S'hai)	7% 1936 (10) "	96	..	..	..	$5,000,000	1/4-1/10	92	23-4-41	92	92	2,000

COMPANY	Address	Date of Meeting	TRANSFER BOOKS CLOSED From	To	Dividend
Wheelock	2 French Bund	11-8-41	31-7-41	11-8-41	Fin. $10.00
H. & S. Bank	12 The Bund	—	28-7-41	9-8-41	Int. £2-10-0
Padang	20 Canton Road	15-8-41	11-8-41	15-8-41	Fin. $0.30
Exploration	1 The Bund	—	7-8-41	16-8-41	Int. $2.00 Bonus $2.00
Power Debs.	181 Nanking Road	—	1-8-41	10-8-41	—
S. W. W. 7% Pref.	484 Kiangse Road	—	18-8-41	30-8-41	½Year 3½%
S. W. W. 6½%	484 Kiangse Road	—	18-8-41	30-8-41	½Year 3¼%
S. W. W. "A"	484 Kiangse Road	—	18-8-41	30-8-41	Int. 8/-
S. W. W. "B"	484 Kiangse Road	—	18-8-41	30-8-41	Int. 4.8d
S. W. W. "C"	484 Kiangse Road	—	18-8-41	30-8-41	Int. 4.8d

Share Report

Share Market Report.—The market has been quiet and dull during the past week, the turnover amounting to 49 millions as against 79 millions for the previous week. Although there have been fluctuations in prices, levels have generally kept near those at the close of the previous week, the daily average price of generals having declined .37 and that of rubbers .36. Both sections have shared in the decline in turnover, business done in generals amounting to 47½ millions as against 75¼ millions and in rubbers 1½ millions as against some three millions.

Buses came in for a good deal of attention and rose to $20.00, but later declined to close on Friday at $18.70. Lumber also continued strong and rose to $93.50, a new high, but closed on Friday at $89.50.

Three new highs have been registered, Lumber ($93.50), Cheng ($0.99) and Senawang ($2.35), and the following stocks have advanced in price:—Cheng—13.8%, Bus—13.6%, Senawang—11.9%, Lumber—10%.

Lumber and Metals have been the most heavily traded, taking around seven millions each. The following list gives the volume of business done in the more popular stocks:—

	Shares	$
Lumber	78,509	7,021,900
Metals	200,600	6,886,200
Explorations	221,149	5,971,000
Wheelock	60,380	5,806,300
Lands	282,600	5,170,600
Ewo Mills	133,117	4,865,500
Asia Navigation	257,470	3,628,900
Dockyards	73,650	1,988,700
Bus	76,040	1,440,400
Loans	63,000	1,383,100

Debentures.—The debenture market has continued, the following having been transacted:—

$136,700 Power 5½%, 1933 @ 97¾/98
$ 50,500 S.M.C. 6%, 1940 @ 101
$ 29,900 F.M.C. 5½%, 1914 @ 96
$ 28,500 S.M.C. 5½%, 1936 @ 95
$ 10,100 S.M.C. 6%, 1941 @ 101

Volume of Trade:—

Week ending	*July 25th*	*Aug. 1st*	*Aug. 8th*
Generals	$59,782,300	$75,612,200	$47,630,100
Rubbers	4,744,400	2,921,300	1,430,500
Debentures	326,000	522,300	255,700
	$64,852,700	$79,055,800	$48,316,300

The following stocks will be quoted Ex Dividend as from Monday, 11th August:—

S.W.W. "A" (Int. 8/–)
S.W.W. "B" (Int. 4.8d.)
S.W.W. "C" (Int. 4.8d.)

Chinese Government Externals Bonds and Railway Loans:—

The following are the latest quotations:—

			London Middle Prices Aug. 1st			Aug. 8th		
Chin. Govt.	4½ per cent	Gold $ Bonds 1898	£47	0	0	£47	0	0
" "	4½ "	Gold Loan 1908 (Anglo-French)	£43	0	0	£45	0	0
" "	5 "	Gold Loan 1912 (Crisp Loan)	£30	0	0	£30	0	0
" "	5 "	Reorg. Gold Loan 1913, British Issue	£38	0	0	£38	0	0
" "	8 "	Sterling Treasury Notes (Vickers)	£ 9	0	0	£ 9	0	0
" "	5 "	Honan Railway Bonds 1905	£13	0	0	£13	0	0
" "	5 "	Hukuang Railway Bonds (L.P.N.Y. Issues)	£15	0	0	£15	0	0
" "	5 "	Lung Tsing U Hai Railway Bonds	£13	0	0	£13	0	0
" "	5 "	Shanghai-Nanking Railway Bonds	£15	0	0	15	0	0
" "	5 "	Tientsin-Pukow Railway Bonds 1908	£12	0	0	£12	0	0
" "	5 "	" " " 1910	£12	0	0	£12	0	0

The Information above given, though not guaranteed, has been obtained from sources believed to be reliable

Agents and Secretaries of Companies are requested kindly to notify The Secretary of the Shanghai Stock Exchange, 16 Central Road, of any errors or omissions.

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COMPANY MEETINGS

North China Insurance

Aug. 8.

At the ordinary yearly meeting of the North China Insurance Co. Ltd., held yesterday at the head office of the company, 26 The Bund, the chairman gave a very satisfactory report of the year's working, which had enabled the company to declare a dividend of £3.10 per share and a bonus of 20 per cent. to contributors of contributory marine premium. Mr. A. M. Cobbett presided, supported by Messrs J. H. Liddell, W. Nation, A. W. Turner, directors and Mr. H. C. B. Way, general manager. The number of shares represented was 9,971.

The chairman in his speech said:—

Since our last annual general meeting much has happened. The war in Europe has given all English-speaking people grave anxiety, although none have wavered in their confidence in final victory. The Far Eastern situation also continues to give rise to anxiety, but it is hoped that wiser counsels will prevail to prevent a further deterioration.

War Problems

The war has had a considerable influence on the marine market and numerous problems have arisen. Apart from direct war perils, dangers of navigation have increased, voyages have been changed, congestion of cargo has arisen, and the class of carrier today is frequently inferior. The adverse effect of this on Marine accounts soon became apparent, and it has been necessary for Underwriters in all markets to make surcharges on cargo rates. Many of the circumstances above-mentioned also influenced hull figures adversely, necessitating revisions in hull rates. I am glad to report cooperation among Underwriters in meeting these difficulties.

Marine Account

Turning to our own figures, you will see that our marine account shows little change as compared with the previous year. The sum of £5,000 is transferred from the marine account to the profit and loss account, and an examination of the marine figures for the year will show a satisfactory underwriting result.

Fire Premiums

In the fire account the premium was £52,199.3.6d., and loss settlements at £20,190.5.0d., representing 38.68 per cent. of the income, are at a normal figure. The war continues to affect our fire business, and in the circumstances it is gratifying to record that our fire premium figures have been well maintained. The actual amount transferred from the fire account to profit and loss for 1940 is £1,500, less than in 1939, but this is due to the reserve of £2,500 set aside to meet losses in connection with balances in enemy and enemy-occupied territories.

Accident and General

The results of the accident and general account show a welcome improvement, and the transfer to profit and loss of £1,600 is more satisfactory than has been the case for a number of years.

Special Reserves

You yill notice in the marine and fire revenue accounts that special reserves have been made for outstanding balances in enemy and enemy-occupied territories, the relative items representing amounts due to the company through its business in these territories, the collection of which must be postponed until the end of the war.

You will also notice from the profit and loss account that we have set up a contingency taxation reserve of £1,500. This was necessary in view of the heavier taxation charges we must meet in future.

Dividend

The profit and loss account provides for a recommended dividend of £3.10.0d. per share, which is the same as last year.

It is my sad duty to have to record the death, in January of this year, of Mr. R. E. Gilleland, one of the company's directors.

Mr. W. P. Lambe's Services

I feel that our meeting would be incomplete without reference to the valuable services rendered to the company by Mr. W. P. Lambe, who resigned from the board last year on his retirement from the Far East. Mr. Lambe was associated with this company as director for 25 years, and I am sure you would wish to join with me in extending to him our best wishes for a happy retirement.

I also wish to take this opportunity of conveying our congratulations to Mr. William Nation, who is with us today, and who this year completes an unbroken connection with the company extending over the past 40 years. Mr. Nation joined the company in London on the May 1, 1901, and after serving for some years at the company's head office joined the board in June 1924. We trust that Mr. Nation's valued advice as a director will be available to us for many years to come.

The following resolutions were passed unanimously:—

That the report and accounts for the twelve months ended December 31, 1940 as presented be accepted and passed. Proposed by Mr. A. M. Cobbett and seconded by Mr. A. W. Turner.

That a dividend of £3.10.0d. per share be paid to shareholders and that a bonus of 20 per cent. be paid to contributors of contributory marine premium. Proposed by Mr. A. M. Cobbett and seconded by Mr. A. W. Turner.

That Mr. F. W. Foster and Mr. A. M. Cobbett be re-elected directors of the company. Proposed by Mr. H. E. Orr and seconded by Mr. C. Maclean.

That the appointment of Mr. F. W. Foster, Mr. A. W. Turner and Mr. J. H. Liddell as directors of the company be confirmed. Proposed by Mr. C. Maclean and seconded by Mr. K. F. Piper.

That Messrs. Lowe, Bingham & Matthews, Hongkong, be elected auditors to serve until the next ordinary yearly meeting of shareholders and that their remuneration be subject to arrangement with the directors. Proposed by Mr. K. F. Piper and seconded by Mr. H. E. Orr.

Yangtsze Insurance

Aug. 8.

The ordinary yearly meeting of the Yangtsze Insurance Association was held yesterday, at the head office of the company, 26 The Bund, when a dividend of $3.50, a bonus dividend of $11.50 per share, and a bonus of 20 per cent to contributors of contributory marine premium, were declared, despite the International situation. Mr. H. E. Arnhold presided, supported by Messrs. L. W. Hutton, C. J. Knipschildt, W. Mellor, directors, and Mr. H. C. B. Way, general manager. The number of shares represented was 149,712.

The chairman in his speech said:—

In my speech from the chair at our last annual general meeting I referred to the news problems which had arisen consequent upon the international situation. Since that time these problems have multiplied themselves, and the situation generally has given us and is continuing to give us all cause for grave anxiety. I feel, however, that none of us harbours the slightest misgivings as to our final victory over the forces of evil which are abroad.

War Problems

The problems peculiar to our business, and which have been brought about by the war, have had a considerable influence on the marine market. Apart from direct war perils, dangers of navigation have increased, voyages have been changed, congestion of cargo has arisen, and the class of carrier today is frequently inferior. The adverse effect of this on marine accounts soon became apparent, and it has been necessary for Underwriters in all markets to make surcharges on cargo rates. Many of the circumstances above-mentioned also influenced hull figures adversely, necessitating revisions in hull rates. I am glad to report co-operation among Underwriters in meeting these difficulties.

Premium Income

Turning to our own figures you will see that premium income for the year shows a considerable increase as compared with the previous year. This is largely due to the further depreciation in Chinese National dollars, the major part of our business being transacted in sterling and other foreign currencies. The sum of $523,636.36 has been carried from the marine account to profit and loss, and an examination of the marine figures for the year will show a satisfactory underwriting result.

Fire Account Increase

In the fire account it is gratifying to record an increase in our premium, notwithstanding the adverse effect the war has had on fire business generally. The premium amounted to $6,074,085.52, and loss settlements at $2,349,410.91, representing 38.68 per cent of the income, are at a normal figure. The actual amount transferred from the fire account to profit and loss for 1940 is some $23,000 less than in 1939, but against this a reserve of $290,909.09 has been set aside to meet losses in connection with balances in enemy and enemy-occupied territories.

Accident, General Account

The results of the accident and general account show a welcome improvement, and the transfer to profit and loss of $188,509.09 is more satisfactory than has been the case for a number of years.

It will be noticed in the marine and fire revenue accounts that special reserves have been made for outstanding balances in enemy and enemy-occupied territories, the relative items representing amounts due to the association through its business in these territories, the collection of which must be postponed until the end of the war.

Taxation Reserve

You will also notice from the profit and loss account that we have set up a contingency taxation reserve of $174,554.45. This was necessary in view of the heavier taxation charges we must meet in future.

Referring to the profit and loss account, you will see that provision has been made for the recommended dividend of Chinese $3.50 per share, plus a bonus of Chinese $11.50 per share, which is the same as last year.

The following resolutions were passed unanimously:—

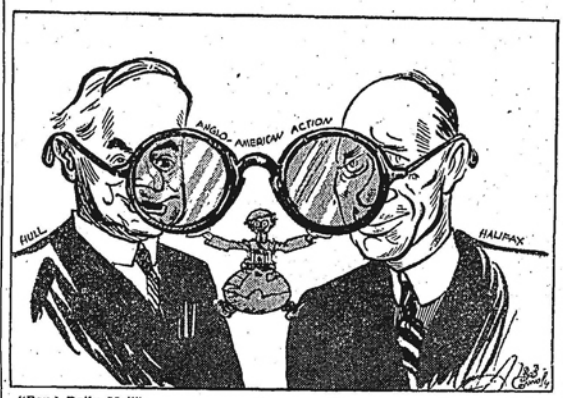
That the report and accounts for the twelve months ended December 31, 1940 as presented be accepted and passed. Proposed by Mr. H. E. Arnhold and seconded by Mr. C. J. Knipschildt.

That a dividend of $3.50 and a bonus dividend of $11.50 per share be paid to shareholders and that a bonus of 20 per cent. be paid to contributors of contributory marine premium. Proposed by Mr. H. E. Arnhold and seconded by Mr. C. J. Knipschildt.

That Mr. L. W. Hutton be re-elected a director of the association. Proposed by Mr. C. J. Knipschildt and seconded by Mr. W. Mellor.

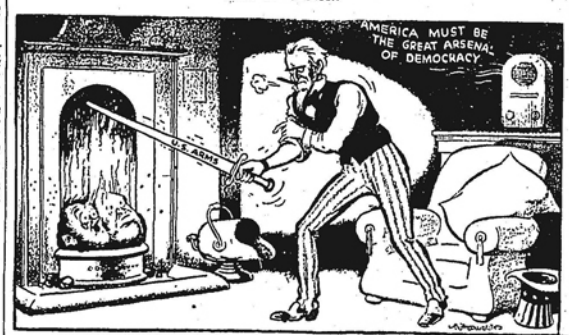
That Messrs. Thomson & Company be elected auditors to serve until the next ordinary yearly meeting of shareholders and that their remuneration be subject to arrangement with the directors. Proposed by Mr. K. F. Piper and seconded by Mr. H. E. Orr.

CARTOONS OF THE DAY



"Rand Daily Mail" S. Africa

SAME VISION.



"Daily Despatch" Britain

THE FIRESIDE TALK.

"San Francisco Chronicle" U.S.A.

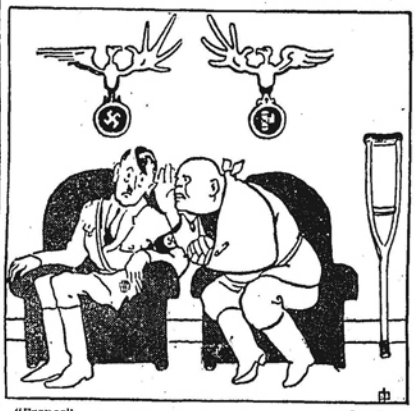
NAPOLEON?

"Times of Ceylon" Ceylon

APES OF WRATH.

"Philadelphia Enquirer" U.S.A.

"But Between You and Me."

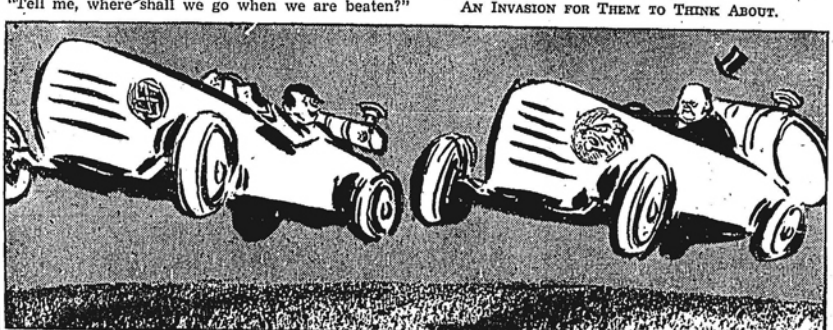


"France" London

"Tell me, where shall we go when we are beaten?"

"Christian Science Monitor" U.S.A.

AN INVASION FOR THEM TO THINK ABOUT.



"San Francisco Chronicle" U.S.A.

THE ENTENTE MACHINE MUST INEVITABLY WIN.

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LETTERS TO THE EDITOR

Local Russians:

Their Attitude to Germany

To the Editor of the
"North-China Daily News"

Sir,—With reference to the manifesto issued by twenty-one White Russian organizations declaring themselves strongly in favour of a German victory over Soviet Russia, one can but feel sorry for these useless ornaments to Old Russia whose brains, if not addled before 1917, became completely addled then and apparently have remained so ever since. While leaving the merits or demerits of the old regime as compared with the Soviet system out of the question entirely, I wonder whether these so-called White Russians paused to consider the possible effect their stupid manifesto will have on the Russian community as a whole. They should have considered that many thousands of their countrymen are employed by firms and individuals of Allied nations and their friends, and on the principle that those who are not with us are against us, I for one am making investigations as to the sympathies of my Russian employees in regard to the present conflict and I have no doubt others will be acting in the same way, and if their pipe dreams of returning to Russia as quislings are shattered by finding themselves out of employment, it will be nothing to their disillusionment when a final and complete allied victory is achieved.

V.

Shanghai, Aug. 4.

A Passport Question

To the Editor of the
"North-China Daily News"

Sir,—In order to help many Russian emigrants out of a difficult position I hope you will very kindly find space for these few lines.

Undoubtedly the Russian emigrants here are now divided into two definite camps. Mainly Russian quislings and traitors to the fatherland, and those Russians who, like the writer, have become and remain emigrants practically through no fault of theirs, and who at this time of supreme emergency continue as true patriots fully willing to make all the necessary sacrifices in defence of their fatherland. From the letter of Mr. Grosse in your today's issue it appears that our official emigrant organizations here are fully governed and managed by quislings; otherwise no such declaration as stated in his letter would ever have gone to press. And yet it is to these same organizations that every Russian emigrant has to go for various official requirements and help on every occasion. Naturally no self-respecting true Russian is ever desirous of having anything to do with quisling organizations or of being under their control and in their dependency in any respect. It is therefore reasonable to find it expedient that the USSR. authorities here should immediately take steps in giving out passports to all those of Russian nationalities who disassociate themselves from Russian quislings and turn to their home government for official status with a real desire of sharing the responsibilities of true sons of our great and heroic fatherland in its mortal struggle against Nazi hordes.

H. V. Basil.

Shanghai, Aug. 4.

A White Russian Agrees

To the Editor of the
"North-China Daily News"

Sir,—Will you accept my thanks for the spirit of understanding and appreciation of the tragedy of the White Russians on which you wrote in your leaderette in Monday's issue of your paper. You are right: those amongst White Russians who are for the Germans are not too numerous. The majority of White Russians, while remaining in their ideology as anti-bolshevistic as ever, are for Russia, for their Motherland, in this struggle. They are convinced that Russia is eternal, whilst Bolshevism is a transitory stage in her history. They have faith in Russia, great both in her past glory and present sufferings, and they want Russia for the Russians and for nobody else.

A White Russian.

Shanghai, Aug. 4.

Local Manifesto:

Too Much Attention Paid

To the Editor of the
"North-China Daily News"

Sir,—I believe, as well as numerous other Russians, that too much attention is being given to this infamous "declaration" of 21 half-dead organizations, the majority of whom exist in name only. If the total membership of these organizations comes up to 250—300, and that is a very optimistic figure, it certainly cannot be considered as a representative view of the Russian colony 30,000 strong.

Of course, not every one of the 30,000, I am sorry to say, stands behind his fatherland in the struggle today, but the total number of such renegades does not exceed 2,000 at the most. The rest of the Russians are firmly united in a common desire to see their native country triumph over the invader. No German propaganda, however extensive it may be, will ever convince them that "Maladolf" Hitler is coming to "liberate" Russia, as they all know that Germany was and always will be the closest enemy of Russia.

The local Russian ex-officers, who are some of the strongest opponents to the Soviet regime, in majority now watch and hope for a Russian victory. They all, in fact all the White Russians realize that the Red Army soldier, who is now smashing to bits all the "ballyhoo" of German invincibility, is made out of the same thing as they are and is fighting for something that they love and will always love, despite any possible enmity to the Government.

The best example of loyalty and love of their Fatherland can be seen at the offices of a local Russian newspaper, which is one of the very few who is serving the Russian cause, where small contributions in $5, $10, and less pour in day after day consisting of sometimes 10 or 5 per cent. of the donor's salary—but which serve to indicate that every Russian tries to do something for his country.

Mr. V., who promises to conduct a check-up in his firm as to the political nature of his Russian employees, will in all probability find that everyone, with a practically impossible exception, is standing for and with Russia. Out of the Russian youths of this city, and I happen to know quite a number of them, I have yet to meet one who does not hope for a Russian victory over the Nazis.

In answer to Mr. Basil, I would like to point out that the Soviet Government at present cannot trust the White Russians completely, as it still believes that their majority is directed against the Soviet Union. This opinion will probably be changed at the end of this war, but it is too early yet to start asking for a general amnesty and and a taking into citizenship of all the Russian emigrés.

The Soviet Embassy in Tokyo accepts at present application for citizenship papers, and, as I know, a great number of local Russians have applied for such. No other way of getting to it exists at present.

In conclusion I would like to join the Ex-Soldier in his appeal to contribute the takings on the "Russian Night" to the local fund of the Soviet Red Cross, which go all the contributions of local Russians. If the XCDN officials decide to contribute the money to the Fund, they will be able to recruit the services of a great number of Russian artists, who will only be too glad to help in some way a righteous cause.

One of the Many.

Shanghai, Aug. 5.

A Plea for Passports

To the Editor of the
"North-China Daily News"

Sir,—Mr. H. V. Basil's letter suggesting that the local Soviet authorities grant passports to all loyal emigrants desirous of obtaining them is an expression of one of the deepest desires we can possibly possess.

Yes, we want to be called again true sons of our Fatherland.

I am a young man, married and with a child. God has been kind to us. He has given us all, all but a country. We have no right to be really called children of Russia. We are outcasts. But God knows how our hearts are rending to stand shoulder to shoulder with our brothers and sisters fighting that vile arrogant enemy.

Most of us Russians are afraid day to day knowing our passports may not be issued us, for lack of approval by those men who were appointed as our leaders. We cannot speak freely. But we are with our whole hearts and souls with our brave brothers and our great leaders in the Fatherland.

Long live Russia. She will never be a slave to Germany.

Give us a right to be legally citizens of our dear country. We will do anything. We will work, we will slave, but let us work and slave together for the common cause. If the Soviet authorities could at least grant temporary transitionary passports or registrations, I swear 80 per cent. of the Russian colony will bless them for this salvation. And the rest, the 20 per cent. do not matter, their minds are poisoned and their consciences have been sold.

But that is all too good to be true. I know it will all end with a few more letters to the Editor, and we will wait, wait and wait. But we will not forget, we will not give up hope. We will for ever work and fight for that right, to be again children of Russia.

Long live our country and our leaders.

Born During the Revolution.

Shanghai, Aug. 5.

Emigrants Under Control

To the Editor of the
"North-China Daily News"

Sir,—On several consecutive days your paper has published letters full of indignation over the declaration signed by 21 White Russian Emigrants' organizations.

Is it not clear enough for the people living here in Shanghai, that White Russian Emigrants' organizations do not live their own lives since the murder of Mr. Ch. E. Metzler? Is it not clear enough that this declaration was required by some powers who can exert an effective pressure upon these organizations? Just imagine for a moment, what will be the fate of Russian emigrants living here and in occupied China in case of a Soviet-Japanese war and who would you think will help us or take us under protection?

Do not your correspondents realize that more harm than good is done to their compatriots by airing the individualistic opinions on community affairs of a community which has no liberties whatsoever, whose members cannot obtain passports unless they sign this or that declaration, obligation and what have you.

An Emigrant.

Shanghai, Aug. 6.

Statement in Defence

To the Editor of the
"North-China Daily News"

Sir,—I would like you to publish this letter for the enlightenment of your foreign readers who are still somewhat puzzled by the attitude of the majority of the White Russians in Shanghai towards the present Russo-German war and their joint declaration published recently in local foreign newspapers in which they avowed their enmity towards Stalin's red government.

This attitude has often been considered as unnatural, but I hope this letter will clarify the situation somewhat.

First of all, I would like to compare the White Russian's attitude towards Communism to that of the British and American toward Nazism. Until recently, both the British and American governments and their leaders have repeatedly denounced Communism as something akin to Nazism and the communists as perpetrators of numerous crimes, now they are forced by circumstances to be Red Russia's allies.

It is evident they still do not approve of Communism, nor have they adopted it as their national policy, but in their fight against Nazism they are glad to accept any ally.

The White Russians are in the same predicament, they are not Nazis, but welcome anyone who is going to destroy the communistic government in their country.

Perhaps the whole thing might even be made clearer if I compare the White Russians with the Free French, Dutch, Belgians and Norwegians.

In the case of Britain's sending another expedition to the Continent, and if in the course of the fighting, Nazi-led French, Dutch or Norwegian troops are destroyed, or if the countryside has to be bombed or shelled, would the exiled patriots of these countries then forget all their differences with their pro-Nazi governments and switch over to the Nazi forces, or would they still look upon the invading British forces as the liberators of their countries?

And if misunderstandings arise, would they not issue similar declarations? Substitute here the word Nazism by Communism and you will understand the Russians here who are now looking to the German forces fighting in Russia as liberators from the horrible repressions and injustices to which Russia has been subjected for 23 years.

The nature of the new Russian government and the price that the people will have to pay for their liberation are entirely another problem that can only be solved in the future.

E. Saricheff.

Shanghai, Aug. 6.

A Question of Ideals

To the Editor of the
"North-China Daily News"

Sir,—So far as I understand there is an article in the regulations of the S.M.C. which provides that no organ of publication should publish material, which by its contents may incite one part of the population against the other. However, for the last few days numerous letters appeared in your columns which may have very detrimental effects upon the local population. I am referring to letters which criticize the sentiments of White Russians here.

Over fifteen years ago, when White Russians landed in Shanghai, they openly declared who they were. If they, in majority, remain so today can one blame them for being true to their ideals, for being what they are?

The history of mankind teaches us that it is easier to behead a man than to deprive him of his ideals. A man has no control over his ideals, but his ideals control him—they actually form him. This is plain to any intellectual.

It is rather foolish to suppose that the authors of these letters could by such distasteful means force White Russians, who remain true to their own, to adopt a way of feeling and thinking which may be more in line with other people's liking; the best that may be expected would be similar to the effect resulting from instructing a husband as to how he should kiss his own wife. In the best case it would sound like "Mind your own business"—In the worst, I will leave it to the imagination of the readers.

The regretable correspondence has a marked political aspect, a striking example of which is the letter in today's issue, signed by V. If V stands for Victory, then why do the contents of the letter speak of other things? If for Victory, V should have taken a rifle and gone to support the brave Russian boys who so gallantly hold the ground against the on-rolling German panzer-divisions—this being the surest way to victory. But this is not the case with V. V prefers to gain the victory by victimizing the Russians in his employ and all other employers to follow his way of fighting for the victory in a similar way.

V has, obviously, forgotten that his Russian employees, together with their countrymen, have once won the victory for him, and his kind in the war of 1914; he forgets, also, that the brave Russian boys, who by their gallant stand and countless sacrifices have, obviously, inspired his patriotic feelings, are brothers of his Russian employees, and if, in face of this, they do not deserve any special favour or privilege, they may at least be spared from being victimized by V.

The V in V's letter does not stand for Victory, it stands for Victim and the victim will be the Russian as usual.

N. P. Harkoff.

Shanghai, Aug. 5.

The Question of Purges

To the Editor of the
"North-China Daily News"

Sir,—With reference to a certain letter, which appeared in your paper a few days ago, I wonder that its author, "who is making investigations as to the sympathies of his Russian employees," had not made a purge among them at the time of the first Russo-Finnish war, when the Allies were calling Russians many unpleasant names, and were even preparing an expeditionary force against them?

Also, I wonder whether he would provide employment to those Russians who are now working in pro-Axis establishments, should they be fired for their pro-Allied sympathies?

Regarding the passport question: in filing demands for them in the local Emigrants' Committee, one has to state one's attitude towards the Soviet Government, and the issue of the documents depends upon that attitude, which has to be violently anti-Soviet.

C.J.K.

Shanghai, Aug. 7.

Communist Performances

To the Editor of the
"North-China Daily News"

Sir,—Mr. Saricheff's letter in your today's issue is misleading to such an extent that I feel it fair to request your hospitality for this letter.

Communism has been known to every thinking man as a movement aiming at social reforms. It is true that communists unfortunately did adopt force and not the parliament as one of the means of realization of these social reforms, but the opposition the communists had by great thinkers and leaders of the British Empire and America has always been directed against the method of and not against the purpose. What does Mr. Attlee mean in his speech given in your today's issue when he promises peace "and social justice"? How is he going to realize that "social justice"? Undoubtedly through the Commons. But after Mr. Attlee and many other leaders like him have realized that social justice, how far unlike is it going to be, as compared with the present social construction and organization created and firmly established, it is true, unfortunately through force and bloody revolution, by that much hated but now, as the events prove, truly great Stalin and his colleagues. Let Mr. Saricheff ask any economist whether the unspeakable distruction brought about by this war can ever be remedied by any other means except collective production, collective farming and co-operation. These are the three great principles that the present Russian Government did, unfortunately, force on Russian nations. But is there now any true humanitarian or unselfish follower of Jesus of Nazareth who would undo what the present Russian Government has done in Russia as far as social justice is concerned? And are not our present rulers of Russia the best qualified, through bitter experience, men to continue the work in peace, a work which they were convinced they could only achieve through civil war and revolution?

Twenty years ago in Russia there were exceptionally hard times, unheard of privation, then the "so-many-years plans" started; we all condemned the whole thing. But now we must admit our mistake, since we now see plainly that the sufferings that our countrymen underwent was a preparation for today. The mighty army now in its task of saving the world could only come into existence through the sacrifices of these past years. Stalin, now the greatest leader in all Russian history, is not wanted. It is said he is not a pure Russian; but when was there the slightest discrimination between the nationalities constituting the great Russian, if I may call it so, Commonwealth of Nations? Were some of the greatest generals of the Russian army such as Madatov, Lazareff, Loris-Melikoff, Russians or Caucasians, with the same much-made-fun-of Caucasian accent? Do Russians call the great Aivazovsky a pure Russian, was there ever the least difference between Russian and Georgian princes at the former court of Russia?

No, Mr. Saricheff, the pedestal which the future Russian historian is going to build to put Stalin on, is high, too high, for me or you to look up without straining our necks.

No matter what the British or Americans thought about the Nazis yesterday, today it is a plain fact to every man in the least capable of using his reasoning powers that Nazism means German supremacy over all the nations of the earth, a German conquest of the world, the whole world. Let that be clear to every Russian emigrant. It is not Nazism which is aiming at world conquest, but the Germans themselves as a super-nation; this is a fact that not even Germans deny.

Mr. Churchill did not make an alliance with Russia just because the Russians were forced to fight Nazis. He plainly said in his speech that Britain was with Russia because Russians were fighting for their homes, for their institutions, for their freedom to manage their own affairs to fulfil their destiny as a free nation. And Mr. Churchill proved right. The heroic fight that the Russian soldier is putting up against the invader is a clear demonstration of the love that many millions of Russians at home now have for their homes, their present institutions, and especially for their leaders headed by Stalin.

Are not these six weeks of the Russo-German War a definite proof that the present Russian Government has succeeded where so many great reformers have failed? There is a saying that, "While the wise man was thinking and making plans as to what was the best way of crossing a river, the foolish man did cross it." Now let us have the courage of admitting that our present government has already crossed the river, the same river that Mr. Attlee is thinking of crossing after this war, let us sincerely hope, painlessly and without accidents.

The other points is that Russia and Britain are equal partners in this struggle and they share, or at least they ought to share, the sacrifices equally. Whereas Mr. Saricheff appears to be labouring under happy dream of Hitler conquering Russia and then sending an invitation to us to return to Russia, re-establish the old pre-revolution "stroy," or any other "stroy" and live happily ever after. Suppose for one moment that we were allowed to do so and that we were so mean and selfish as to undertake the work. Is Mr. Saricheff taking into account the millions of Russians who were born during the revolution, the millions who were children then and now are in the army readily dying for the preservation of that same way of living that we propose to change for another as yet undefined one? The millions of young men of various ages who now in a ripe age realize the deep wisdom of Stalin's rule, and admiring the results of the present achievements have already forgotten the pain caused by the process. Try to reconvert Russia to any other way of living, and you will have to do it at the cost of rivers of fresh Russian blood and untold misery much worse than suffered so far by our great fatherland.

And even then the task would be impossible, no one can go against history and the progress of civilization. The social reforms as established by the present government of Russia have come to stay. It is just as easy to re-establish the old system in Russia as it is unthinkable to attempt to re-establish the Feudal system in England. We have got to accept the fact, accept it not as an inevitable evil, but as a glorious fact, the new present USSR, born out of the travail of these 25 years, strong enough to smash the hordes of the invader, strong enough to shoulder again the heaviest burden among the nations fighting against evil, strong enough to again suffer most among the nations for freedom and justice. Yes, we have to accept this glorious fact, swear allegiance to our legal government and take our place among the citizens of our great fatherland; or remain here at our jobs of watchmen, bodyguards, godown keepers, our children degenerating and forgetting their mother tongue; and we drinking our innumerable "rumkas" of inferior vodka, and hoping the impossible hope of impossible Hitler performing the impossible task of conquering our unconquerable fatherland, and then entrusting us with the super-impossible task of establishing a nobody-knows what kind of Government.

It must be admitted that Mr. Saricheff leaves the problem of the form of future government and the price Russia will have to pay for "liberation" to the future. This sounds very much like: "Let us get back our property left in Russia, our former easy way of living at all costs of honour, freedom, self-respect, let us be slaves in the homes and lands we owned in Russia, but let us have our revenge for these twenty years, and then we shall see." The form of government in conquered Russia will undoubtedly be that dictated by Hitler, and the price for "liberation" to be paid will be slavery for 1,000 years, as stated in Hitler's speech to the German army on the eve of attack on Holland and Belgium. Besides, have not even the Germans declared that in order to "liberate" Russia from the present government the Russian army must first be destroyed, having, as it is claimed by them, changed their tactics accordingly. It is now plain, Mr. Saricheff, that the price of the "liberation" of Russia from Stalin is the Russian army; the most wise and admired Germans, your allies, say so. Are you willing to pay the price and get back your property, your former social position with "Zavtras" and "nado-je-datz"?

I Am Not.

Shanghai, Aug. 7.

***This correspondence is now closed.—Ed.

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LETTERS TO THE EDITOR (continued)

Jazz:

Statement for Defence

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—The fact that jazz has been a target for crotchety correspondents of newspaper editors for the past twenty years, and is today more firmly entrenched than ever, is in itself sufficient rebuttal to any fresh assaults on this form of music. However, the maligning assertions of your correspondent ORPHEUS, who discovers a "defeatist" streak in jazz and thus makes it out to be an insidious Fifth Column against final victory, cannot remain unanswered—all the more so as he preaches the purification of local radio broadcasts according to his gospel.

ORPHEUS, it appears, finds that jazz gives him defeatist thoughts. That we can readily grant him; the effects of music on men's minds can be very droll; the twangy mountain melodies of the Ozarks are credited with sending this hillbilly gentry into raptures of bloody feuding. It would seem that after an exposure to "Duke Ellington and his Band", ORPHEUS can quite easily regain his faith in Hitler's ultimate downfall by dropping the radio out of the window and locking himself up with a week's file of the "Noon Bulletin." But no: ORPHEUS goes to the self-important extreme of deducing that since jazz gives him defeatist thoughts it must make every other Briton want to rush bleakly to the nearest plane and save humanity by parachuting into Germany.

To ORPHEUS, therefore, jazz is dangerous; more than that, it is "utterly evil and bad" and as such should be "banned" by the authorities. When the authorities of any country decide for its people what music is "bad" and what "good," what art is "healthy" and what "degenerate," which books should be read and which shouldn't, that country is either Germany or Italy of the present day. When they rule as to which clothes fashions are "sincere" and which insincere," that country is Japan. In no case is the country a Democracy. Hitler anticipated ORPHEUS's desires by many years; he banned music he thought was "weakening;" he also burned books. ORPHEUS it seems, would surrender the fruits of victory before victory is won.

But, of course, it is all too sadly true that some fruits of victory must be temporarily foresworn precisely so that victory may be won. If jazz is an enervating leech on the nation's body, perhaps it ought to be case out; perhaps the people's choice of music should be regimented. ORPHEUS claims jazz is defeatist. He describes how the good Lord Provost of Glasgow switched his radio set to Germany and heard music that was "strong and stirring."

When the swashbuckling Aussies landed in Singapore, they did not bellow the shallow heroics of Wagner; they tossed their hats over the rails and sang "Roll Out the Barrel!" When they swept victoriously into Benghazi after whipping the Italians up the African coast, their battle-song was not the 4th Movement of Beethoven's 9th Symphony but the chorus from the "Wizard of Oz." United States Army chiefs thanked their stars for Billy Rose when that showman recently put over the first really successful camp entertainment meant to maintain the draftees' moral—and Billy Rose did not give them Sibelius; he gave them Swing, red and hot. Had ORPHEUS attended any of the entertainments for British soldiers when they were garrisoned in Shanghai he would have found an affinity in musical tastes between the British Tommy and the U.S. buck private. If that's "defeatist" music, Lord Beaverbrook ought to put its production on a double shift.

Jazz, including its "swing" variations which ORPHEUS finds unacceptable, is one of America's contributions to the 20th century. Good or bad, it has gripped hundreds of millions the world over. Its songs are ephemeral; they die no sooner than they are born, but their chain spans the globe. Sprung from the restless, tortured spirit of the growing generation in a cockeyed world after the Great War, jazz is the music of that generation; its songs are the folk songs of their age; it is the music they like—and the music with which they go into battle. Sad as it may seem, you don't find "Pack Up Your Troubles" or "Keep the Home Fires Burning" or even "Mademoiselle from Armentieres" sung on the battlefields today. Those are the songs of yesteryear, and the young are out of touch with them just as ORPHEUS and his generation are out of touch with jazz. But at least those songs stir in present-day youth an understanding of the era which gave them birth. It seems that among people weaned on Gilbert and Sullivan jazz awakes nothing but a blind and intolerant refusal to try and understand its nature and its popularity, even if they can't find it in them to approve of either.

Of the musical worth of swing, too much has been written for further discussion here. If ORPHEUS wishes, which I doubt, I can refer him to appreciations of swing by competent musical critics. (I am not suggesting a comparison between the worth of swing and of the classics. Swing is merely the spontaneous outpouring of the masses—much of it as empty and sham as many of the folk-songs of other ages—not the inspired work of geniuses.) But let ORPHEUS not worry over it "stupefying the will"—except, of course, his own will. That is a matter on which he and the Lord Provost of Glasgow ought to get together in a soundproof room.

BOOGIE-WOOGIE.

Shanghai, Aug. 4.

KOBE:—Glad to receive your two letters. We are doing our best.—ED.

A New Song:

Compliment to Composer

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Last week I listened in to Station XCDN and happened to hear a war song which impressed me more than a bit. I understand that both words and music were written by Mr. ROBERT STUART. As he himself also took the solo part it might well be said to have been a one-man show, had it not been for the really admirable choir that accompanied him and put across the chorus in a manner that moved me as I have not been moved for a very long time.

But frankly I wish that Mr. STUART had not written this song. It has stuck in my head in the most exasperating manner. As one of the mob of 1914-1918, I appreciate the infection of songs, and if ever there was one that ought to persecute humanity, this of Mr. STUART's would be my bet. I got hold of a copy and found, to my frank delight, that the words fitted in with the music as being precisely what, in my opinion, should fulfil the real sentiment of these incredible days. To be frank, I think it is about the best, in that particular idiom, I have heard, but I trust that others will not be so appreciative lest it becomes even a greater "runner in the head" than it is at the moment.

TIPPERARY.

Shanghai, Aug. 5.

This English:

A Pedant at Work

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—With less humility than before I refer to your footnote in the letter signed by A.C.R.N. and say that the correct usage of the English language does matter and that I do not agree that Fowler is the greatest expert on the English language. I have never heard of the bird-snatcher! I think that A.P. Herbert (or I) should claim the honour. While we are "at it," may I protest at the use in your newspaper of the words "Britisher" and "diplomatist?" The correct words are "Briton" and "diplomat" respectively. Many of us get like this in the hot weather!

PEDANT.

Shanghai, Aug. 5.

Moonlight Follies:

Free French Gratitude

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—All who attended last night's "Moonlight Follies"—and Frenchmen in particular—were deeply touched by the sympathy towards France in her present troubles expressed by Sir Andrew Noble in his speech on the occasion of the French French night. We thank him for his real understanding of France's difficulties, for his reference to the glories of her past and for his faith in her ultimate resurrection as a great and independent nation. We only wish that this British appreciation, so eloquently expressed, could have been listened to throughout France and her Empire.

We also thank Mr. A. H. George, H.B.M.'s Consul-General for his very kind words, and the attendance generally—mostly British—whose unbounded generosity helped to make the auction of Marshal Foch's autograph, and indeed the whole evening a notable success.

FRANCE QUAND MEME.

Shanghai, Aug. 8.

Bus Overcrowding:

And Fare Collection

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I congratulate you on your leaderette of June 17, "Overcrowded Buses," and I sympathize too with POOR FISH whose letter in the same issue complained of not getting any dividend from his investment in the Bus Co.'s shares. The Traffic Department, S.M.P. needs a good shaking up. All complaints made through the press seem to be ignored by them altogether.

The overcrowding is undoubtedly a big loss of revenue to the company because its a physical impossibility for bus conductors to collect fares from everyone. I am also a shareholder and feel that there must be pretty poor management, as the Bus Co. is the only utility service in Shanghai which isn't able to give shareholders a return for the money invested.

I shouldn't mind at all disposing of my few shares for what I paid for them.

ANOTHER POOR FISH.

Kuala Lumpur, July 13.

St. Peter's Role:

A Weak Analogy

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I should like to point out what seem to me to be the weaknesses of the analogy that UBI PETRUS IBI ECCLESIA has given us between his view of the Church and a business concern:—

1. A "local manager" is the manager of a branch of a firm—and there may be other branches.
2. A local manager does not appoint his successor—that is done by the head office of the firm.
3. Successive local managers do not as a rule regard themselves humbly as the "successors of Mr. So-and-So who has returned to the States"—the chances are that they consider themselves far better men than he.

PROLETARIAN.

Shanghai, Aug. 4.

"Breaking Away from Rome"

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—The Church of England was never anything else but Roman Catholic to the time of the Reformation.

The British Church was represented by three of its Bishops, at the great Council held at Aries in A.D 314, at which they submitted all their decrees to Pope Silvester, and begged him to send letters to all bishops according to custom so that all should keep Easter on one and the same day.

If nothing else remained, the History of Bede, the Father of English History, would suffice to show how entirely Britain as well as the English nation owes its Christianity to Rome and the Popes. Every single Archbishop of Canterbury received the "Pallium" from the Pope; and not one, from Augustine to Cardinal Pole, ventured to exercise his authority as Primate until this symbol of authority has been sent from Rome. It is to the Popes that we owe the two archbishoprics of Canterbury and York. Pope Gregory directed St. Augustine to make Canterbury his See, but when there were sufficient converts he was to make York an archbishopric.

When Henry VIII came to the throne in A.D. 1509 the English Church founded by St. Augustine had already existed more than 900 years. During all these centuries the great cathedrals, monasteries, colleges and other ecclesiastical buildings which covered the land had been raised to the honour of God by the unswerving faith of the members of the one Church founded on Peter's Rock. The boast made a century before at the Council of Constance, that there was no Church more loyal to Rome and the Pope, and no Church which had kept the purity of the Faith more zealously, or been less tainted with heresy than the English Church, was equally true when King Henry VIII died and for many years after. That this was the case almost to the very hour of the final breaking away from Rome we have clear and distinct testimony.

In 1521 King Henry VIII sent John Clerk, Bishop of Bath and Wells to Rome to present his work on the Seven Sacraments against the German Roman Catholic priest Martin Luther. Clerk was received in full Consistory on October 2 and made his oration before the Pope, the Cardinals and all the Ambassadors of Europe. The theme of his speech was the loyalty of the English Church "Of other nationalities" he says "let others speak. But assuredly by Britain—my England, as in later times she has been called—has never yielded to Spain, never to France, never to Germany, never to Italy, never to any nearer nation, nor not even to Rome itself, in the service of God and in the Christian faith, and in the obedience due to the most Holy Roman Church; even as there is no nation which more opposes, more condemns, more loathes this monster (i.e. Protestantism) and the heresies which spring from it." As Clerk was the King's Ambassador, this was not only a public but an official declaration.

In return for having written this book, Henry received from Pope Julius II the title "Defender of the Faith" which is still part of the title of the Sovereign of England, and is inscribed F.D. on every piece of English money.

However momentous issues often spring from small causes; and it was, in the beginning at least, a mere love affair of Henry VIII which initiated the policy that finally dragged England into schism and heresy. In A.D. 1529 Cardinal Wolsey was disgraced and stripped of all his offices for having failed in his efforts to please the king and procure his divorce from Queen Catharine. The Pope would have done what Henry desired had it been possible for him to do so according to his conscience and the law of God. The matter rested here for a while, and it almost seemed as if Henry would in the end accept the inevitable, when it was suggested to him that by imitating the example of the German princes, he might make "himself" Head of the English Church, so that he would be in a position to settle his own matter in his own way.

This was at first resisted by the clergy led by the saintly Bishop Fisher. After three days discussion between the Bishops and the King's representatives the clergy gave way, but insisted on adding the clause, "as far the law of Christ will allow," which clause as Dr. Lugard says was sufficient to "Invalidate the whole recognition".

Anglicans tell us that the Church of England "reformed herself" and they would have us believe that in England the so-called Reformation was brought about by the free will of the Church itself and of the nation. But history tells us that the change was wrought by the strong hand of the Crown "against" the will of the Church and the nation. To quote Mr. Green in his Short History of the English people (Chapter VII) says:

"The one great institution which could offer resistance to the royal will was struck down. The Church became a mere instrument of the central despotism. A reign of terror, organized with consummate and merciless skill, held England panic-stricken at Henry's feet. The noblest heads rolled on the block. Virtue and learning could not save Thomas More, royal descent could not save Lady Salisbury. The execution of queen after queen—taught England that nothing was too high for Henry's courage or too sacred for his 'appetite'. Parliament assembled only to sanction acts of unscrupulous tyranny, or to build up by its own statutes the fabric of absolute rule. All the constitutional safeguards of English freedom were swept away. Arbitrary taxation, arbitrary legislation, arbitrary imprisonment were powers claimed without dispute and unsparingly exercised by the Crown."

With the separation of England from Rome, and the legal appointment by Parliament of Henry as Head of the Church in place of the Pope, some further religious changes were in the nature of things inevitable. What these were seem really to have sprung from certain qualities in the King's disposition. In the first place came his avarice, which had been fed upon the spoils of the Church until it had become a ruling passion. This vice may be said with safety to explain his cutting down the honour paid to the Saints and their images and the destruction of their shrines, the prohibition of Masses for the souls in Purgatory, and his projected abolition of chantries and guilds. The second quality in Henry's character may be described as his Catholic instinct, which he never wholly lost. This forced him to oppose Cromwell, Cranmer, and others in their attempts to commit England to the full reformation principles of Germany. In his notes upon the 'Institution of a Christian Man', a book made by the bishops in explanation of what people were to believe, the king shows his keen theological instinct. Upon the dispensation to work on holy days in case of need being mentioned, he notes, for example, "so that we neglect not Mass and Evensong." In the same spirit he condemned Lambert the heretic for his denial of the corporal Presence of Our Lord in the Blessed Eucharist; he communicated always in one kind, and shortly before his death, though ill and suffering, he rose from his seat at Mass to kneel, and in answer to the remonstrances of his courtiers for thus casting himself on his knees, he said: "If I could throw myself down not only on the ground but under the ground, I should not then think that I gave honour enough to the Most Holy Sacrament."

AN EX-PROTESTANT.

Shanghai, Aug. 4.

Bewilderment:

Over Exchange Market

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—May I be allowed some of your valuable space to express the bewilderment many Shanghailanders must be feeling nowadays over the peculiar behaviour of the foreign exchange market, since the freezing of Japanese and Chinese assets came into effect.

For the last few months the financial authorities of America and Britain have by various steps, such as the establishment of a Joint Stabilisation Fund on a scale much greater than previously, the threat of eventual freezing of foreign currency assets and other methods, induced the majority of Shanghailanders to place new faith in the Chinese Dollar and reconvert their foreign exchange holdings into fapi.

There has even been in the Chinese press a wave of suggestions of prospective decrease in the local cost of living through the benevolent intervention of the Stabilisation Fund in arresting exchange speculation, and advice to hoarders to unload to prevent future losses.

Now that the freezing decrees have given the powers that be full control over exchange speculators, one is naturally puzzled to see instead of an improvement or, at least, some stability, a sharp worsening of the exchange situation.

In these circumstances one may be pardoned for wondering, whether the object of the Stabilisation Fund and the freezing decrees was to bring stability to the Chinese Dollar, or whether the main purpose was merely to separate Shanghailanders from their holdings of valuable foreign currency and then let them pay for the war by progressive depreciation of their Chinese dollars.

The deplorable recent tendency to hoarding by all and sundry and the consequent profiteering must in great part be blamed on the behaviour of exchange.

The question then arises:

If the freezing decrees have made it impossible for speculators to obtain foreign exchange for rigging the market whom, then, should we blame for the recent depreciation of our Shanghai Dollar?

SHANGHAILANDER.

Shanghai, Aug. 8.

Transport Squeeze:

A Generous Conductor

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—There has been a great deal of correspondence against the General Omnibus Company's employees and I wish to mention that this morning conductor No. 59 route 14 very kindly gave to me a 35 cent ticket when I only had 29 cents to pay for it.

KINDNESS APPRECIATED.

Shanghai, Aug. 4.

Education of Public Wanted

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—After reading your leaderette "Cooperation Wanted" I am convinced that the squeeze evil is fast spreading and that steps should at once be taken to have it stamped out. The suggestion of enlisting the cooperation of the public by making the managements acquainted with every case of squeeze coming to their notice is a good one but, unfortunately, impracticable.

The Chinese is an amicable person. He is taught from childhood to be accommodating and reasonable, a little annoyance of this sort would not be serious enough to stir him up to action. Besides, the conductors always manage to conduct their squeeze business with diplomatic skill and dexterity. In lieu of a ticket, he invariably gives a nod, or a "wait a minute, please," or a smile, or a "thank you," or even a "thank you, Sir." From this it will readily be seen that nothing unpleasant could have ever happened to dig up a case.

The public must be "educated," so to speak. Tell them in plain language that the squeeze epidemic is undermining the resources of the Company, and as the service must be kept a going concern, increases in fares will only be the natural result. Urge them to demand their tickets for their own interests. This information may be diffused through the medium of the press, the radio, the screen etc. Post "demand a ticket" placards on all cars conspicuously and profusely.

This will be sufficient for the present, I believe; if not, we could approach the S.M.C. for assistance in organizing city-wide campaigns.

There is reason to believe that the inspectors have hitherto been reluctant to step on the toes of this organized body of workers. However, remedial measures may be sought through other channels. Public opinion and sentiments often work wonders; a good use of these weapons in this particular case may reasonably be expected to hit the mark.

As honesty is simply contentment in disguise, it is advisable for the managements to see that the remuneration of the men enables them to make both ends meet. A certain sum given in the form of a gratuity for a certain period of service with good records would be a profitable encouragement.

This is an age of cooperation and action. I hope that you, Sir, and the readers of your valued journal will get together to keep the ball rolling until the object in view is achieved. This is a hard nut to crack. We must crack it

HOPEFUL.

Shanghai, Aug. 1.

The Inspector's Girl Friend

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—The China General Omnibus Co. has issued a public statement urging the public to help stop the squeezing of tickets.

Might I suggest that the Bus Company at least can help themselves by employing efficient ticket Inspectors. Take for instance, each afternoon at about 2.35 p.m. Inspector waits for his girl friend at the intersection of Ave. Foch and Yates Road (No. 15 bus). He boards the bus with her, sees that she is comfortably seated, proceeds to take the report from the Conductor then resumes to hold a session of conversation with his girl friend (without checking any tickets, mind you). Before alighting from the bus at the stop after Chekiang Road at Nanking Road he signs the report, says goodbye to the girl friend then gets off. Nice job of inspecting I should say.

Maybe the Bus Company needs Inspector of Inspectors?

SQUEEZED.

Shanghai, Aug. 4.

Harbin:

Are Communications Stopped

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—I wonder if you or perhaps any of your readers could give me some accurate information on the following subject.

For weeks I have been unable to get any news from my relatives and friends in Harbin and Dairen, who used to write to me quite regularly before.

I have been writing to them regularly and even cables sent to them a few days ago have so far remained without their reply.

Enquiries to the local Postal Authorities have led to practically no result.

What I would like to know is—do these people at Harbin and Dairen etc., get our letters and or cables from here, and, if so, why (and where) is there a delay of their respective replies?

ANXIOUS.

Shanghai, Aug. 11.

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Jews in Hongkew:

Expulsion Unjustified

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—With reference to the article in this morning's paper concerning the proposed expulsion of Jews from Hongkew, it goes without saying that there is, of course, no legal right whatever for any such measure, any more than there was a legal right on the part of the Council or of any other body of introducing the system of permits to enter Shanghai which has resulted in thousands of Jews being unable to leave Europe and escape the hell, in which they are now compelled to live.

As regards undesirable emigrants, I think that on the basis of information which I have obtained, the Japanese authorities might well look in other directions than the Jewish refugees. As far as I have been able to ascertain, the total number of offences which have come before the Courts during the past three years and amongst approximately 20,000 emigrants is around eighty. I consider that this figure speaks volumes and disposes of the specious excuses for the proposed measure.

The fact is that on the grounds of misbehaviour and disturbances of the public peace, the number of Jews who could, if the right existed, be expelled from Hongkew may be counted on your ten fingers—so much for that!

FACTS NOT FANCY.

Shanghai, Aug. 6.

An Interview Questioned

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—In your edition of August 6, you published an interview with a certain Mr. Sommer, who pretends to speak in behalf of about 13,000 Jewish and other refugees in Hongkew and declares, that the proposed Japanese step had been foreshadowed by an article that had appeared in the "Shanghai Jewish Chronicle", in which it was stated that officials of the Japanese Naval Landing Party had invited some members of the Jewish refugee community, including Messrs. O. Lewin, editor of the Shanghai Jewish Chronicle, Mr. Weinberger, dismissed refugee camp chief, Wachsner, Dr. Kardegg and Dr. Lesser, to act as a sub-committee to work with the Japanese Naval Landing Party in weeding out "undesirables."

This statement of Mr. Sommer is entirely untrue. The fact is,—as has been published in the issue of the "Shanghai Jewish Chronicle" on August 2 to which Mr. Sommer apparently refers—that a higher representative of the Japanese Navy invited some representatives of the Juedische Gemeinde, including Messrs. Dr. Kardegg, Dr. Lesser, Wachsner and Weinberger, and further on the publisher of the Jewish emigrants' daily newspaper "Shanghai Jewish Chronicle," Mr. Ossi Lewin, to have a conference with him. During this conversation about the various refugee problems, it was suggested from the Japanese side that a sub-committee might be created within the managing committee of the Juedische Gemeinde to maintain a permanent connection with the Japanese authorities regarding the respective emigrants' affairs. The creation of this sub-committee has, however, not yet taken place and the assertions of Mr. Sommer are mere inventions. Mr. Sommer is neither authorized nor entitled to speak or act in behalf of the Jewish emigres. Entitled for those actions would be the committee alone, which take care for the refugees already since the beginning of the immigration here.

OSSI LEWIN,
Publisher of the "Shanghai Jewish Chronicle."

Shanghai, Aug. 7.

A Correction

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—In your yesterday's article under the caption "Expulsion of Certain Jews from Hongkew Proposed" you mentioned the name of Mr. Julius Weinberger, the dismissed refugee camp chief, as one of the members of the Jewish Refugee Committee, invited by the Japanese Naval Landing Party to act as a member of the sub-committee in weeding out "undesirables."

In fairness to Mr. Julius Weinberger, we hereby confirm that he was not dismissed by this Committee, but resigned his position at the end of March 1940.

COMMITTEE FOR THE ASSISTANCE OF EUROPEAN JEWISH REFUGEES IN SHANGHAI.

Shanghai, Aug. 7.

Who is Representative?

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—May I add a few lines to the correspondence in your today's issue re emigrants living in Hongkew.

I did not know the name of Mr. Sommer until I learned it from the article in question which appeared a few days ago in your esteemed columns, and a great many Refugees whom I spoke to did not know him either. So far I agree with your correspondent Mr. LEWIN that Mr. Sommer was not entitled to speak on behalf of 12,000 or 13,000 emigrants—most of them probably not even knowing his name—even if his speech might have been reasonable.

I would like to state that the "Jewish Community" in Hongkew, however, is not authorized to speak or act on behalf of the emigrants either. The "Jewish Community" is a private religious institution and they ought better to be occupied with their religious tasks which are big enough. Their character being entirely private they are not at all authorized to act on behalf of the 18,000 or 20,000 Emigrants, of whom only about 2,000 are members of the "Jewish Community."

Finally I beg to state that we all hope that in future too no steps whatsoever will be taken by the Japanese authorities. Should there be any intentions at all, however, to do so, I would like to propose in accordance with your correspondent Mr. LEWIN that this task be transferred to those institutions which are really entitled to act on behalf of the Emigrants—the Shanghai Refugee Committees.

ONE OF 20,000 GERMAN JEWISH REFUGEES.

Shanghai, Aug. 8.

Tobruk Still Thorn in Nazi Flank

The British garrison holding Tobruk is still a thorn in the Nazi and Fascist flank in north Africa. Raids have been made on the enemy's communications from this well fortified post which have kept the Nazis on the jump. The picture shows some of the defenders making their way through the ruins caused by enemy bombers. During raids, the defenders have excellent protection, and are not worried.

A Lengthy Protest

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—The announced intention to expel a certain part of German Jewish immigrants from Hongkew has stirred up great excitement among the whole Jewish population North of the Soochow Creek. People ask: shall the uncertainty of our life, the expulsion from one place to another start anew? Are we Jews singled out anew for "new" and "special measures"?

The Japanese authorities who control the Hongkew and Wayside District, have up to now kept their promise to treat the Jewish population in the same manner as other nationals; that the Jewish immigrants shall enjoy the same rights as all the other inhabitants. On the Japanese Press Conference on August 5, the spokesman declared that the Japanese authorities will maintain that principle. But at the same time the spokesman declared to that the Japanese authorities intend to apply some "special measures" against some Jewish immigrants, that a certain part of them shall be expelled from Hongkew as "undesirables" and that this expulsion would not affect other nationals living in Hongkew. Should that intention be carried out, then there would be no "equal rights" for the Jewish immigrants, the "special measures" mean a special treatment of the Jews and that makes the "equal rights" only theoretical "equal rights."

The reason why the Japanese authorities suddenly want to take such steps against "undesirables" are not yet quite clear. The one uttered reason that the mass influx of Jewish immigrants into Hongkew has caused an increase of commodity prices and rents does not count. The cause of that increase is certainly not the existence of 5,000 not registered Jews, and to lower prices and rents requires measures against speculation and usurers and no measures against the population. We think the Japanese authorities know that well enough. Especially because the expulsion shall be applied only against a small minority of immigrants which have come in conflict with the law.

The real reason for the expulsion plans therefore must be sought elsewhere. One thing is very interesting in that direction. The discussion of the plans have not taken place between the Japanese authorities and the Committees of the Jewish Relief work which have registered and take care for all immigrants, but between the Japanese authorities and the "leaders" of a small Jewish religious organization, the Jüdische Gemeinde. These "leaders" had even a special conference with the Japanese authorities and they will, according to the "Shanghai Jewish Chronicle," be endued with the "right" to carry out the expulsion orders against the "undesirables." What does that mean? Not more and not less than the fact that an organization that has been founded for religious purposes, for taking care of the religious and cultural interests of a part of the Jewish immigrants, will get police power over all German immigrants at Hongkew. The "leaders" of that organization would get power that not only contradicts to the religious purposes of the "Gemeinde" but would make them real dictators to all immigrants.

Therefore it is necessary to ask the men: Why didn't you declare that you represent only a small minority of the immigrants? Why didn't you declare that it is not your business to mix up with affairs that are not yours? Why didn't you declare that you don't want to expel Jewish immigrants?

The immigrants at Hongkew put those questions. And they answer them too. They say: These "leaders" want to be dictators of all immigrants; they want to squeeze them into their organization. It is only the lust for power, the lust to be "leaders" of these men, that is responsible for the intended "special measures" against other immigrants. We think it is high time that the members of the Jüdische Gemeinde oppose such a misuse of their organization.

To show that the claims of the self-appointed "leaders" of the immigrants are unjustified even from the numerical point of view, it has to be stated: Of the about 20,000 Jewish immigrants in Shanghai, only 2,500 are members of the religious Community, the Jüdische Gemeinde. From this 2,500 only 926 persons took part on the last election of the representatives of that organization. 926 of a total of 20,000 immigrants, that means not ½ per cent. But even the 2,500 members of the Jüdische Gemeinde are no united body, they are split up into several factions which are struggling among themselves for power. About 18,000 immigrants have no connection with the Jüdische Gemeinde at all; partly for religious reasons, partly because they are indifferent with regard to religion.

A certain part, far more than 1,000, of the immigrants have changed their religion and become either Catholics or Evangelical. Are these converts supposed to change their religion anew? Partly they live now on the premises of the various missions. Shall they be forced to become adherents of the Jüdische Gemeinde to get the appreciation and the "protection" of the "leaders" of the Gemeinde?

And what about those many immigrants which are no Jews at all, but so called "Aryans," and who are married to Jewish husbands? Shall they also be forced under the leadership of the Gemeinde?

The answer to all these questions can only be: The application of "special measures" against Jewish immigrants and the cession of police power to a religious organization will only stir up discussion and trouble among the Jewish immigrants. And that is just the thing the Japanese authorities want to avoid. Therefore it is to be hoped that these authorities will give up their intention of expelling a certain part of the immigrants and apply to them the same rights as to any other nationals. The plight of the majority of the immigrants is already a sad one. Each "special measure," even if it should be applied against those which had offended against the law, would make the plight of the immigrants more difficult; then, one knows the beginning but never the end, and in Germany too began the persecution of the Jews with "special measures" against a small part of them.

Considering that, it is a shame that some immigrants, in the ambition for power, strive for the function of policemen against their fellow-sufferers. The Japanese authorities surely don't want to be stirrup-holders of these men. It should be their own interest that the Jewish immigrants are not compelled to worry about measures which very easily could develop a threat against their religious freedom.

I AM AFRAID.

Shanghai, Aug. 9.

"Appeal Withdrawn:":

The Bible and Legalism

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—In your leader of August 8, under the heading of "An Appeal Withdrawn," you treat Mr. CHARLES W. RANKIN with a tenderness far beyond his merits.

I, personally, should need more evidence than Mr. RANKIN's own statement that the prosecution of your paper "was undertaken for the public welfare." I know of no section of the public that benefits, or will benefit from his self-asserted, altruistic action. I do know of many who may go homeless and starving as a direct result.

Mr. RANKIN is undoubtedly a great legalist: men of his totem not infrequently are. Ever so long ago, one of them criticized a great lover of humanity for healing a woman on the Sabbath day—a very unseemly thing to do on the holy day according to the critic—to be reminded of higher claims and laws.

A legalistically righteous Pharisee criticized a careless-of-rules-and-laws Man for appearing at breakfast unwashed, and what a rebuke he received!

One Sabbath morning a group of men walking through the cornfields plucked ears of corn, rubbed them in their hands and ate the grains. Unlawful, clamoured the legalists, to be reminded that human need may transcend and set aside "laws."

In this city, every year, tens of thousands of dollars from lotteries, raffles and race-clubs pass into the hands of those who make the poor and needy their peculiar care. Tainted money! Proceeds of illegal activities! Yes, Mr. RANKIN yes, indeed, but many years ago I heard William Booth say "give me your tainted money, for the poor of England, and it shall be cleansed in the blood of the Lamb. "There was much of the spirit of the Master in William Booth, for with him, too, human need transcended conventions and silly laws.

I rarely pray, but, were I to do so, I should pray that the numerous street deaths from starving, and the pains and sufferings of some of the hungry thousands whom he has endeavoured to ensure shall not be alleviated, save by legalized means, be not, in that Day, laid to the charges of Mr. CHARLES W. RANKIN.

FORUM CONSCIENTIAS.

Shanghai, Aug. 8.

"V for Victory":

Broader Basis Wanted

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—The prevalence of the V campaign throughout the world anticipates the ultimate victory of the Allies over the Nazis. Even the Nazis, in the eyes of whom might is the only instrument with which to satisfy their lusty desire of conquest and domination, are being shocked by this campaign, particularly because it is also popular in the Nazi-occupied areas. This campaign, indeed, stands for an unshakable truth—justice, righteousness and democracy will always win over brutal force and dictatorial rule.

But, according to my opinion, this V campaign should have been spread more far and wide with a broader sense. In other words, this character V should have indicated victory for all democracies in the world who are directly or indirectly fighting the aggressors of the Axis. It should be understood that all the democracies are now fighting the same war—a war to preserve the highest ideal of promotion of welfare for mankind and to crush all evil influences jeopardizing peace of this planet. They all will share this victory because they have done their bit in championing this cause. To put it more concretely, this ultimate victory must belong to ABCDU Front, including America, Britain, China, Dutch East Indies and USSR, who are the solid pillars for safeguarding this world from aggression and barbarism.

HARRY YOUNG.

Shanghai, Aug. 9.

Dr. Evan Morgan:

And Confucianism

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—Your detailed mention in today's issue of the late Dr. Evan Morgan deserves more than passing notice, since he had during his lifetime sympathetic understanding of the Confucian doctrines to such an extent that he would put the latter almost in the same category as the Christian doctrines. True, the more profound a foreign sinologue is in his knowledge of Chinese classics, the more just he is likely to become toward Confucianism. I remember one day in 1924 when Dr. Morgan was vehement in his attack on immature Chinese youth for their neglect of Confucianism. He was then addressing a mixed gathering of Chinese and foreigners in fluent Mandarin. I was deeply moved by the breadth of his views. About that time he was translating one of the more abstruse Chinese works. Men like him are needed now more than ever.

So it is with the late Isaac Mason, whose study of Chinese Mohammedanism is widely known.

Indeed, my personal intimate knowledge of these savants compels me to offer them very high tributes.

SAKAMOTO.

Shanghai, Aug. 8.

Misquoted:

A Biblical Quotation

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR,—May I call attention to the fact that the quotation from Proverbs, chapter 6, verse 6, given at the end of my article "An Animal Census," which appeared on the leader page of your esteemed newspaper of today's (Sunday) issue, should read:

"Go to the ant, thou sluggard; consider her ways, and be wise.

This was the way I had it in my copy, not

"Go to the ant, thou sluggard; consider her ways and do likewise."

which is as it appeared in print. The words "and do likewise" appear in the New Testament, as one of Christ's sayings. "Go, and do thou likewise," in His parable of the good Samaritan, see Luke, chapter 10, verse 37. Whoever edited my article appears to have got the two passages mixed.

Please publish this correction in the interests of accuracy, something on which, as a scientific writer, I am rather keen.

ARTHUR DE C. SOWERBY.

Shanghai, Aug. 10.

SHIRTS

TOYO MURAKAMI
270 KIANGSE ROAD
SHANGHAI

OBJETS D'ART
KIMONOS PEARLS

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SHANGHAI LAW REPORTS

H. M. Full Court

P. J. MacKellar Appeal

COUNSEL: Mr. H. A. Reeks for appellant and Mr. John McNeill, Crown Advocate.

Before Judge Sir Allan G. Mossop, Judge Sir Athol D. MacGregor, Chief Justice of the Supreme Court of Hongkong and Judge P. Grant Jones.

(Judgment reserved)

Aug. 5.

Contending that there was an absence of direction to the jury by the trial judge, a misdirection, and misreception of evidence, Mr. H. A. Reeks brought an appeal yesterday for Patrick John MacKellar against a conviction on three charges of embezzlement of funds belonging to the American Express Company while employed by them as travel department manager.

The appeal was heard before the Full Court composed of Judge Sir Allan G. Mossop (presiding); Sir Atholl D. MacGregor, Chief Justice of the Supreme Court of Hongkong and Judge P. Grant Jones, the trial judge in the lower court. MacKellar it will be recalled is serving sentence of five years' imprisonment at the Ward Road Gaol and was not present at the proceedings yesterday. Judgment was reserved until 11 a.m. tomorrow.

Mr. Reeks addressed the Court on the question of law for almost six hours while the Crown Advocate, Mr. John McNeill who was only called upon to answer one ground of appeal spoke for the quarters of an hour and asked for the dismissal of the appeal on the ground that Mr. Reeks had not made out a case to justify a quashing of the conviction entered against the accused.

The entire hearing was taken up with addresses of counsel with occasional interpositions by Their Lordships who asked counsel to submit authority for certain submissions or to ask questions regarding the case.

The grounds of appeal submitted by Mr. Reeks were four-fold viz: 1.—that there was an absence of direction to the jury by the trial judge; (a) that there was no direction to the jury making it clear that the onus of proof was on the prosecution (b) that there was an absence of direction to the jury; that if they were in doubt as to which versions of the facts to accept that they should acquit.

2.—That there was a misdirection to the jury; (a) the defendant's case was not put to the jury in the summing-up of the trial judge, (b) that the trial judge invited the jury to make a definite finding by stating that he was in agreement with the address of counsel for the prosecution, (c) that the address to the jury of counsel for the prosecution adopted by the judge, failed to set out the case for the defendant, (d) that the jury were directed to the effect that reasonable doubt was doubt for which a reason could be given.

3.—That there had been inadmissibility of evidence; (a) that the confession as to embezzlement of other sums than those relating to the charges should not have been admitted in evidence, (b) that facts improperly proved such as that the tellers' cash had been checked by production of a cash balance reconciliation sheet and again that letters had been written by producing carbon copies.

4.—That there had been a misreception of evidence; (a) that evidence had been wrongly admitted tending to show that accused had committed acts of embezzlement other than the offences with which he was charged, (b) that the evidence of Mr. D. S. Riggs, manager of the American Express Company, given in re-examination that U.S.$240 the subject of a debit note receipted by accused had been accounted for as a loss and (c) that evidence had been introduced in the form of a letter, signed by the accused, addressed to the American Mission Treasurers and copy of a letter addressed to accused by them enclosing a cheque for U.S.$540 and questions to accused in cross-examination that he had retained the U.S.$540.

In his reply in which he asked for the dismissal of the appeal the Crown Advocate said *inter alia*:

"My learned friend has said that because the learned trial Judge did not state the defence to the jury, the conviction of the prisoner should be quashed. The trial Judge did in fact state his general agreement with my remarks as to the evidence in his summing-up. I hope that Your Lordships after examining the record, will get the impression that the greatest care was taken throughout this trial that the accused should not be in any way prejudiced by an admission of any kind of evidence which should not be included.

"Exactly the same precaution was taken by me in my summing-up. If, as my friend has suggested, the learned trial Judge did generally agree with my summing-up then I will submit and my answer to the grounds of appeal 2A and C; that in fact the defence was put by me to the jury...

"Regarding the defence throughout the record Your Lordships will find very little to show you what the defence actually is. If you look at the cross-examination. Your Lordships will see that there was practically nothing to given the slightest indication of what the defence was....It might have been almost anything.

"It was not until the accused gave evidence himself that we realized that what he was saying was: 'I probably received the money; in certain cases I know I received it, but I didn't keep it.'

"His real defence is: 'If I received it, I did not keep it. I handed it to the right person. At no stage of the trial was any real statement made by Counsel of what the defence was except in my summing-up where I said to the jury, I submitted what 'I understood the defence to be: 'I received the money, but I did not keep it, but passed it on to my master through the proper channels.'

"I invited the jury to disregard all the confessions made by the accused if there were any. I went on to say that there was no evidence of any enmity against the accused on the part of the principal witnesses in this case. The inference underlying the defence was that the persons who received the money from accused kept it."

After dwelling on the three alleged cases of embezzlement forming the subject of the three charges in the Lower Court Mr. McNeill continued:

"The second point I would like to make is that there really was no defence set up other than those two very simple ones: a defence of extreme simplicity....The line of defence was: 'I didn't receive the money or if I did receive it, I didn't pocket it.'

"A judge is not bound to address the jury in a very lengthy way. Where the defence is a simple one he is not bound to put it again to the jury in his summing-up, when it has already been put to the jury quite clearly as in this case.

"It is a matter for the discretion of the trial Judge....Unless the Court feels that there is a suspicion that there has been a miscarriage of justice, it will never interfere merely by reason of the fact that the defence has not been put to the jury by the trial Judge. This is no ground for an appeal."

Counsel then cited authority to show that a trial judge was entitled to express an opinion on the facts of the case and even entitled to tell the jury that prisoner's story was a remarkable one or that it differed from accounts which he had given on previous occasions.

Counsel went on to point out that Mr. Reeks had not suggested during the entire hearing of the appeal that the facts of the case in the Lower Court had not been placed very fully before the jury and submitted that this was in fact done very exhaustively.

Mr. Reeks stated in reply to the Court that he did not wish to reply to the Crown Advocate.

Sentence Reduced

Aug. 7.

The appeal of P. J. MacKellar against his conviction on three charges of embezzlement of funds belonging to the American Express Company while employed by them as travel department manager was dismissed on all grounds by the Full Court yesterday. The court was composed of Judge Sir Allan G. Mossop (presiding); Sir Atholl D. MacGregor, Chief Justice of the Hongkong Supreme Court; and Judge P. Grant Jones, the trial judge in the lower court.

In the written judgment of the court read by the Chief Justice of the Crown Colony, the original sentence of five years' imprisonment with hard labour was reduced to eighteen months' imprisonment with hard labour on each change, the sentence to run concurrently. In its findings the court paid a tribute to the Crown Advocate, Mr. John McNeill, for "his closely reasoned argument." Mr. H. A. Reeks represented the appellant. The judgment follows:

The appellant was tried on three charges of embezzlement, and after a trial which lasted five full days was found guilty on each of the charges, and sentenced to five years imprisonment with hard labour on each count, the sentences to run concurrently. Such sentence is of course the equivalent of a sentence of five years penal servitude in England.

The last day of the trial was very largely occupied by the speeches of counsel for the defence and the Crown Advocate and by the summing up of the learned trial judge.

The Report rendered to this Court under Article 94 (3) of the China Order in Council, 1925, contains the following passages:—"I told the jury that I did not propose to take them again through the lengthy evidence which they had just heard fully summarized and explained by Counsel on both sides, as my exposition might only confuse them. I expressed, however, my general concurrence with the views of the Crown Advocate, and I commented on the vague insinuations made by the accused against the witnesses for the Crown."

The learned trial judge's notes prepared for the purpose of his charge to the jury contain these words:—"Cases for the Crown and defence fully put before you. I find myself in general agreement with the argument of the Crown Advocate —my personal opinion only."

On January 9, the appellant gave notice of appeal and filed eleven grounds of appeal, grouped under four (really only three) heads—non-direction, misdirection and improper reception of evidence. Those various points Mr. Reeks on behalf of the appellant has argued at considerable length, and we propose now to deal with each point in the order in which they are set down above.

The non-direction complained of is that the learned trial judge did not specifically put to the jury the exact nature of the defence to each of the charges. The course adopted by the learned trial judge we have already explained. He was addressing the jury on the day on which they had listened to comprehensive and detailed speeches by counsel.

The defence was in no way complex, and even if the judge had read to the jury every word said by the appellant from the witness-box, it is doubtful whether the jury would have been any more fully seized of the issues before them and the exact nature of the defence. It is freely admitted on behalf of the appellant that the summing up on the law to be applied was unexceptionable; the only point under this head is non-direction as to the evidence. Of authority on the point for our decision there is no lack, but it will suffice to refer to three cases. In *Abrath v. North* Eastern Railway Co. (1886) 11 A.C. 247 Brett M.R. said:—"It is no misdirection not to tell the jury everything which might have been told them. Again there is no misdirection unless the judge has told them something wrong or unless what he has told them would make wrong that which he has left them to understand. Non-direction merely is not misdirection, and those who allege misdirection must show that something wrong was said or that something was said which would make wrong that which was left to be understood." In *Bradshaw and others* 4 C.A.R. 280 the headnote reads: "Omission in a summing up to tell the jury in terms what the defence is, does not amount to misdirection if the issues in the case are in substance put to the jury in the summing up."

In delivering the judgment of the Court of Criminal Appeal in that case the L.C.J. said: "Sometimes, no doubt, non-direction may amount to misdirection; but in our judgment the omission of the Chairman to call attention in terms to the particular case set up here for the defence did not amount to misdirection. From what the chairman said, it is obvious lengthy speeches had been made by counsel on both sides." The last case to which we desire to refer is *MacDougall* 7 C.A.R. 130 the headnote to which recites:—"A summing up need not go through the evidence especially where counsel on both sides have dealt with it exhaustively."

The allegation of misdirection is that the learned trial judge "invited the jury to make a definite finding by stating that he was in agreement with the address of counsel for the prosecution." The judge in a British criminal trial is not a mere automaton, and it is as right as it is natural that in certain cases he should form a strong view as to the evidence given. There is no reason why he should not express such a view to the jury even in strong and emphatic terms, providing always that he is at pains to see that nothing that he says can properly be construed as a direction to the jury.

In *O'Donnell* 12 C.A.R. 219 Lord Reading L.C.J. delivering the judgment of the Court said "a judge, when directing a jury, is clearly entitled to express his opinion on the facts of the case, provided that he leaves the issues of fact to the jury to determine. The judge obviously is not justified in directing the jury, or using in the course of his summing up such language as leads them to think that he is directing them, that they must find the facts in the way in which he directs. But he may express a view that the facts might be dealt with in a particular way, or ought not to be accepted by the jury at all. He is entitled to tell the jury that the prisoner's story is a remarkable one or that it differs from accounts which he has given of the same matter on other occasions. No doubt the judge here did express himself strongly on the case, but he left the issues of fact to the jury for their decision." In *Mason* 18 C.A.R. 131 the headnote reads: "while a judge is entitled to express his view of any evidence, he ought not to 'invite' the jury to make a definite finding. Any expression of his own views ought to be accompanied by a direction that the right of deciding on the fact is solely theirs."

We are satisfied that nothing was said by the learned trial judge in this case which over-stepped the bounds of the latitude given in this matter to a judge, and this ground of appeal also fails.

It is apposite at this point to remark that as the misdirection and non-direction complained of relate not to the law applicable but to the evidence abduced, it would be necessary for the appellant, before such misdirection or non-direction could avail him, to show that it was reasonably probable that had there been no such mis-direction the jury would not have returned their verdict (*vide* Archbold's Criminal Pleading Evidence and Practice 30th Ed. at p. 332 the cases there collected). No attempt has been made by Mr. Reeks for the appellant to shoulder any such burden of proof, so that even if our conclusion as to the alleged non-direction and misdirection had been other than it is, we should still not have been justified in quashing these convictions.

On the allegation of the wrongful reception of evidence we need say little. At the close of appellant's evidence-in-chief the Crown Advocate applied for leave to cross-examine on other connected and similar acts of embezzlement by the appellant. Leave was granted and that is the misreception complained of. It is sufficient to refer to *R. v. Bond* (1906) 2 K.B. 389 where the authorities are collated and exhaustively considered. No one who reads that portion of the judgment of Kennedy J. (as he then was) which extends from the thirteenth line of page 402 to the end of his judgment on page 406 can entertain any doubt of the correctness of the ruling of the learned trial judge with regard to the cross-examination complained of.

In the course of argument before us the court drew attention to the fact that, as the charges to which the appellant had been called upon to plead alleged acts of embezzlement respectively on August 9, 1940, August 16, 1940, and between May 1, and 30, 1939, they seemed to conflict with the requirements of Article 58 of the China Order in Council, 1925. Mr. Reeks was obviously taken by surprise and was not able to give us any assistance on this point, but Mr. McNeill, Crown Advocate, gave us the benefit of a closely reasoned argument in which he drew our attention to Article 57 (3) (a) and (f) of the China Order in Council, 1925, as well as to the proviso to section 4 of the Criminal Appeal Act, 1907, arguing that nothing that had been erroneously done could prejudice the appellant or could have led to a miscarriage of justice.

It seems to us that the matter is virtually concluded by the judgment of the Full Court in the case of *Heath v. R.*, N.C.H. March 5, 1927, page 376. In that case the appellant was brought before the court on a charge which was manifestly bad for duplicity. No objection was taken at the time by Counsel for the appellant and the Full Court (Grain and King J.J.) while conceding duplicity in the charge, held that the accused had not been embarrassed or prejudiced by this technical mistake, applied the proviso to section 4 of the Criminal Appeal Act, 1907, as well as Article 97 (3) (f) of the China Order in Council, 1925, and dismissed the appeal.

The appellant's notice of appeal filed on January 9 runs:—"I, the above named appellant, hereby give you notice that I desire to appeal to the Full Court against my conviction and against my sentence on the grounds in writing attached to this notice." The grounds of appeal contain no ground of appeal against sentence, and the ground advanced to us by Mr. Reeks is unworthy of mention. The case of *Hervey & Goodwin* 27 C.A.R. 146, however, is authority for the proposition that it is within the power of this court to treat the notice of appeal as if it had included an appeal against sentence, and *ex proprio motu*, to bring under review the sentence passed on the appellant.

The record of this case is strangely silent regarding the appellant. We do not even know his age nor do we know anything of his antecedents. We know that he had been in continuous employment since 1935, and he is described as a very capable employee.

The principles on which the Court of Criminal Appeal proceeds in reviewing sentences are too well-known to require recapitulation here, and one of these well established principles appears to be involved in this case. The cases of *Dench* 4 C.A.R. 26 and *Kerverkian* 7 C.A.R. 96 lay it down as a principle by which the court of Criminal Appeal will be guided that, as a general rule, penal servitude ought not to be inflicted for a first offence. In the former of these cases the L.C.J. said: "the principle of inflicting penal servitude for a first offence can only be justified in very special circumstances" and in the latter case at somewhat greater length he said: "This court does not interfere with a sentence unless a question of principle is involved: there is such a question here. The prisoner had nothing against him as far as previous convictions were concerned and it is not usual to give a sentence of penal servitude for a first offence unless surrounding circumstances point to matters of extreme gravity, or the nature of the crime itself necessitates a severe sentence. Every word of that judgment is applicable to the present case. The appeal is dismissed, the conviction on each charge is affirmed, and the sentence on each charge is reduced to eighteen months imprisonment with hard labour, these sentences to run concurrently from the date of conviction.

Shanghai, August 6, 1941.

(sgd.) ALLAN G. MOSSOP.
(sgd.) A. D. A. MACGREGOR.
(sgd.) P. GRANT JONES.

H.M. Police Court

Assault Charge

MISS M. M. SCHARNHORST *v.* MRS. E. CRUZ

COUNSEL: Mr. K. E. Newman for defence.

Before Mr. C. H. Haines, H.M. Registrar

(Adjourned)

Aug. 7.

Allegations of assault and bottle throwing were made before the Registrar, Mr. C. H. Haines, in H. M. Police Court yesterday by Miss Mercia Mary Scharnhorst, a youthful complainant, in a prosecution charging Mrs. Elsie Cruz with assault contrary to common law. Miss Scharnhost, who filed the complaint through her mother, Mrs. Esmeria Lucretia Lopez Scharnhorst, was unrepresented, while Mr. K. E. Newman appeared for the defence and asked the court to take the cross-summons brought by his client against complainant conjointly. The matter was deferred for the time being by the Registrar who adjourned the case until Monday at 10 a.m. after hearing three witnesses.

Miss Scharnhorst told the court that on July 25, the defendant stood with arms akimbo and would not let her pass into a bathroom of 364-A Route Bourgeat where they were all living. Mrs. Cruz pushed her against a wall, she said, and hit her on the head with a clenched fist. Witness thereupon threw a tin mug at her.

Witness went on to say that defendant then got hold of her and hit her on the face. "I kicked her. She grabbed me again and I shouted for my mother," witness said, adding that defendant then rained blows on her face and cut her lips. Her mother then tried to intervene, she said, when defendant began to pull her hair. Her sister who appeared, she said, was then hit by Mrs. Cruz who also got hold of her sister's hair.

Witness went on to say that she attempted to free her mother and in doing so bit defendant on one hand. Several other members of her family appeared, she said, adding that defendant finally pushed her into defendant's room and choked her. She was unable to breathe when her mother got her out of the room. They were then all pulled into their room, witness said, and defendant locked them in and used words which she had never heard before.

Continuing, witness said defendant threw a kerosene box, bottles and boiling water into the room from a rear window and broke their plates which were in the cupboard.

Cross-examined by counsel, witness added that Mrs. Cruz was lodging with her family and admitted that she was packing up to leave that day. "I knew she was very tough and if I didn't throw the mug at her, she might have given me a good licking as she promised to do to one of us before leaving," she said. She was followed into the witness-box by her mother and a sister, Miss Amalia Mary Scharnhorst.

Alleged Theft

HARDIT SINGH *v.* MAL SINGH AND JAGIAR SINGH

COUNSEL: Mr. E. L. Hartopp for plaintiff and Mr. E. T. Maitland for defendants.

Before Mr. C. H. Haines, H.M. Registrar

(Adjourned)

Aug. 8.

Observing that it was a confusing case, the Registrar, Mr. C. H. Haines, in H.M. Police Court yesterday deferred until tomorrow morning his decision in the prosecution brought by Hardit Singh against Mal Singh and Jagiar Singh on a charge of stealing a raincoat, a suitcase, and a bicycle, etc., belonging to complainant. Mr. E. L. Hartopp represented Hardit Singh, while Mr. E. T. Maitland appeared for the defence.

Mr. Paul Rosenberg was the last witness called when the hearing was resumed yesterday. Witness, a wharfinger of Mollers Ltd., with whom all the Indians concerned in the case are employed, said that accused and complainant had been sasisfactory in their work. On July 2, he said, Hardit Singh made a certain report to him, but he was unable to arrive at the truth of the matter, and referred him to Mr. K. M. Pate at the head office of the company. Several days later a detective appeared and made investigations into the case.

Witness produced a watchman's uniform which he said belonged to complainant which Mr. Maitland suggested was among the articles reported stolen.

Dismissed

Aug. 10.

The case against Mal Singh and Jagiar Singh, charged with larceny of a bicycle, suitcase, pair of boots and raincoat belonging to Hardit Singh, an Indian watchman, was dismissed by Registrar C. H. Haines in H.M. Police Court yesterday morning, on the grounds that there was not sufficient evidence to prove that accused had committed the crime. Accused and complainant are employed by Mollers', Ltd. Mr. E. L. Hartopp appeared for complainant, while Mr. E. T. Maitland for accused.

The case was first brought to Court on July 23 and had since then had been adjourned on three occasions. It may be recalled that complainant discovered the loss of his property on July 2, and had immediately questioned Jagiar Singh. He then reported the case to Mr. P. Rosenberg, a wharfinger of Mollers', Ltd., and finally to Hongkew Police Station.

In resuming the hearing yesterday, Mr. Haines said that it was extremely difficult to find the truth when dealing with Indians and that, before passing the decision, he would question one Koo Yung-wei, cook in the employ of Mal Singh.

Witness stated that Hardit Singh kept some property in one of the rooms occupied by the Indians, but that he had not seen any bicycle. The property was composed of blankets and a wooden case. He did not see either of the accused take a bicycle away on the date specified in the charge.

During the hearing, an Indian interpreter employed by complainant's lawyer, was ordered to leave the Court after being warned against remonstrating during the questioning of the Chinese witness.

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Inquest on Sundar Singh

Before Mr. C. H. Haines, H.M. Coroner

(Throttled by person or persons not subject to jurisdiction of the Court)

Aug. 6.

"A dreadful story has been disclosed to this court. It seems to me that this unfortunate Indian died quite unnecessarily. My finding is that Sundar Singh died on July 24, 1941, at 136 Paoshan Road, Shanghai, and that the cause of death was throttling and finally that he met his death at the hands of a person or persons not subject to the jurisdiction of this court."

"I have little doubt that if they were subject to the jurisdiction of this court it would have been a case of murder. As they are not, I can only state that Sundar Singh met his death at their hands."

The above verdict was delivered in H.M. Police Court yesterday afternoon by the Coroner, Mr. C. H. Haines, at the close of the inquest on the body of the watchman of the Yamaguchi Gumi Construction Company in Paoshan Road. A godown in the place was visited on the evening of July 23 by a gang of robbers who removed a quantity of iron after binding the Indian watchman and his wife.

Two self-confessed members of the gang gave evidence yesterday, stated that one of their companions had throttled the Indian watchman and buried his body in a vacant plot of land near by. They were brought into court handcuffed, with two other alleged members of the band.

The widow of the watchman who identified his body when the inquest was opened and who lived with him at the place where he was employed told the Coroner that on the evening of July 23, she retired at 9 p.m. While he sat on a chair and remained on duty. At about 1 a.m. she was awakened by her baby boy and saw four Chinese draw near. She shouted to her husband. The intruders then sprang on both of them, stuffed cotton into her mouth and bound her hands and feet with cloth. Her husband began to shout and she did not see what happened to him subsequently, as the Chinese covered her face with his coat.

She went on to relate how at about 5 a.m. after the Chinese had left a neighbouring and elderly Indian watchman was drawn to the scene of their plight by the shouting of her eldest son and untied her hands and feet. They were unable to find her husband she said, but came across his bloodstained turban in the compound.

The elderly watchman was next called and was followed into the witness-box by one of the members of the gang who disclosed that the band met in a lodging house in Hongkew and drove to the scene of the robbery in a truck. Three of them opened the gate and allowed the truck to enter. While two of his companions trussed up the legs and hands of the watchman, witness related, another man placed a cloth gag in his mouth. Witness and another confederate released their hold of the legs of the watchman and tied up his hands and feet. One of the men held the gag over the watchman's mouth, witness added, while two others kept guard, one on each side of him.

Continuing, witness said he was told a little while later that the watchman was dead. After removing a quantity of iron from the place, witness said they took away the body of the watchman and buried it in a vacant plot of land.

Similar evidence was given by another member of the band.

The next witness, Dr. T. M. Burton, registered medical practitioner of 12 the Bund, said he was unable to conduct a post mortem examination owing to the state of decomposition of the body and consequently was unable to state whether the Indian was throttled. The last witness called was D.S.I. R. Eynstone who gave evidence of ex-humation of the body.

Traffic Case

S.M.P. *v.* M. A. KUHN

Before Mr. C. H. Haines, H.M. Registrar

(Dismissed)

Aug. 6.

At H.M. Police Court yesterday morning the Registrar, Mr. C. H. Haines, dismissed a case brought up by the Shanghai Municipal Police against Mr. M. A. Kuhn, on the grounds that the charge had been drawn up incorrectly. Mr. Kuhn was charged by Sub-Inspector I. James with dangerous driving of a motorcycle on Bubbling Well Road at about 7 p.m. on July 10.

According to evidence supplied by C.P.C. 1899 of the Bubbling Well police station, Mr. Kuhn was driving the motorcycle with his hands off the handle bar. The policeman went on to say that an accident might have been caused.

In dismissing the case, Mr. Haines pointed out that, as no accident had been caused, and as there was no evidence of danger it was not correct to call driving without hands dangerous and that the more proper charge would have been "driving the motorcycle in an improper, negligent or reckless manner." Mr. Haines then informed Sub-Inspector James that the Police could file another charge against the offender.

Minor criminal cases have shown a tendency to increase, states the police report for the week ending August 9, giving the total at 310 in comparison with 274 for the previous week.

First Special Court

Incorrect Scales

Aug. 6.

The monthly report of Sub-Inspector R. I. Fernandez of the Weights, Measures and Police Licensing Section of the Shanghai Municipal Police, for July shows that 48 shops and establishments operating a total of 124 scales and 138 rice measures have been checked. All the scales and measures of 21 shops were found correct. The remainder were dealt with by criminal proceedings or other measures found necessary by the police.

Six criminal summonses were taken against rice shop owners for incorrect scales and rice measures, while in other instances shops were ordered to have their scales corrected.

Twelve criminal summonses applied for in July were heard before the Shanghai Special District Court and the offenders received sentences from seven days to six months. Fines were imposed on some of the offenders. The six Bye Law Summonses, applied during the same period, resulted in fines from $6 to $20. In all cases, the scales were confiscated by the police.

Torso Murder Solved

Aug. 6.

Prison terms ranging between one year and six years were meted out yesterday in the First Special District Court to four Chinese, one of them a woman, in connection with the murder and dismemberment of the body of Mrs. Tseng Liang-sze of 10 Ho En Fang, Lane 139 Changsha Road, on June 7. The women's torso, it will be recalled, was picked up from the Soochow Creek many weeks ago and after careful investigations the Sinza police arrested the four persons, all related to Sung Wang-sze, a woman who is alleged to be the ringleader in the crime.

The alleged woman instigator is still at large. She is alleged to have committed the murder in which a kitchen knife was used, with the assistance of the four sentenced persons in order to obtain about $10,000 which the victim had received from her husband. It was also revealed during a recent hearing that she might have committed the crime because she was unable to make both ends meet having gambled too much. All accused were arrested in Soochow, but the alleged ringleader has not yet been found.

Two of the sentenced men were also charged with armed robbery in which they victimized a woman to the extent of more than $1,200. The woman lives at 397 Tsipoo Road.

Gambling Den Raid

Aug. 7.

A gambling den in an upstairs room of a restaurant at 271 Chekiang Road was raided by the Settlement police on Tuesday night, it was revealed in the First Special District Court yesterday when 14 gamblers were each fined $10. Twelve other persons alleged to be either chief gamblers or employees of the establishment were remanded in custody pending further investigations. Nine gambling sets were seized during the raid.

Wife of Robber Sentenced

Aug. 7.

A Chinese woman, wife of an armed robber who was shot dead recently in Connaught Road, was given a suspended prison term of one year in the First Special District Court yesterday when she was found guilty of having served as lookout for her robber husband. It was recalled in court that when the robbers were leaving the scene of attemped robbery at Lane 560 in Connaught Road they met two Chinese police detective sergeants. They were challenged by the officers. The robbers opened fire fatally wounding one officer. One of the men was also shot dead.

Running Opium Den

Aug. 8.

Sentence of six months' imprisonment was passed by the First Special District Court yesterday on a Chinese woman for operating an opium den at 45-506 Taku Road.

Two others including a woman charged with frequenting the establishment were acquitted owing to insufficient evidence, while another man charged with a similar offence was sentenced to six months' imprisonment suspended for two years.

The woman operating the den was arrested when the police raided the premises.

Shroff Sentenced

Aug. 9.

A former shroff of the Hongkong and Shanghai Banking Corporation named Lee Shing-kou was sentenced to one year and two months' imprisonment yesterday in the First Special District Court for defrauding three exchange shops in Szechuen Road of about $320,000 by issuing uncashable cheques on his own account. The sentence was, however, suspended for five years. He was ordered to refund the money to the victimized shops.

It was revealed in court that between July 11 and 15 Lee had visited the shops and told them that he was in need of the above mentioned sum of money, suggesting that he put up the equivalent of the loan in American currency as security. Managers of the shops who have had many business connections with accused agreed. The next day, he returned to the shops saying that he needed American currency to close a big deal. He took away the foreign currency and the shops were given his personal cheques to cover the full amount of the loan made repayable the next day.

Lee failed to show up the next day and when Lee's cheques were presented to his bank no payment could be secured since there were insufficient funds to cover them. The police were informed and a reward was posted by the shops for his arrest. He was eventually arrested in Pootung and little money was found in his possession, it being alleged that he had speculated. Accused argued in court that the shops were as guilty as he, since their managers knew that he was speculating.

Heavy Sentences

Aug. 10.

Charged with armed robbery, Tung Yung-ching and Huang Lien-hsi were sentenced to nine years and six months' and six years' imprisonment respectively yesterday in the First Special District Court. Accused were convicted of having broken into a grocery shop at 4690 Robison Road and a metal shop at House, No. 11 Lane 570 Haining Road and stolen cash from the shops. Two pistols and a hand grenade found in their possession were confiscated by the court.

Thefts from Cathedral

Aug. 12.

S. Ktoroff was sentenced to two years' imprisonment yesterday in the First Special District Court for having robbed the Holy Trinity Cathedral of a cross, some fans and clothing on July 25. Two other foreigners, a Czechoslovakian and a German-Jewish refugee, were acquitted by the judge since no evidence could be found against them. One of the acquitted men is a second hand goods dealer who said in court that as a second hand goods dealer he had to accept old articles from sellers who are supposed to be bona fide owners.

Accused was caught while leaving the Holy Trinity Cathedral. A police constable saw him and took him to the Central Police Station where stolen articles were found in his possession. He also confessed to having robbed the Cathedral on a previous occasion. He confessed to having broken into Shanghai Municipal Council's offices where he stole many fans. He confessed at the Police Station that he had sold the stolen articles to one of the other men, who is the acquitted second goods dealer in whose possession most of the stolen articles have been found.

SPORTS AND PASTIMES

Second Battalion Beats Orphans

Aug. 7.

The Second Battalion made certain of second place in the Shanghai City Baseball league yesterday afternoon at the Race Course when they defeated the Headquarters Orphans by the one-sided score of 11-1 in a game that was rather dull and uninteresting.

The box score follows:

SECOND BATTALION

	AB.	R.	H.	PO.	A.	E.
Mertes, c.	5	1	4	8	1	0
Taylor, cf.	5	1	1	3	0	0
Mann, ss.	5	1	1	6	1	1
Duncan, rf.	4	1	0	0	1	0
Zagar, lf.	5	1	2	3	0	0
Waddell, 1b.	5	2	0	7	0	0
Brannon, 3b.	4	0	1	0	1	0
Pack, p.	5	1	2	0	5	0
Rundle, 2b.	4	3	3	0	1	1
	42	11	14	27	10	3

HEADQUARTERS

Middleton, 2b.	3	0	0	2	1	1
McKinzie, 3b.	4	1	1	3	0	1
Terrell, cf., p.	3	0	0	2	1	1
Hicks, lf.	1	0	1	0	0	0
Silk, rf.	4	0	1	1	0	0
Ruge, 1b.	4	0	1	9	0	1
Miller, ss.	4	0	0	1	2	0
Shaull, lf., p.	4	0	1	2	2	1
Provencher, c.	3	0	0	6	2	1
*Schilling	1	0	0	0	0	0
Swanson, p.	0	0	0	0	2	0
Jurovic, cf.	2	0	0	0	0	0
Prickett, cf.	0	0	0	1	0	0
	33	1	5	27	10	5

*Batted for Provencher in the ninth inning.

Runs by innings:

Second Batt.	0	0	6	0	0	3	2	0	0	—	11
Headquarters	0	0	0	0	0	0	0	1	0	—	1

Lawn Bowls Standings

Aug. 8.

FIRST DIVISION

	P.	W.	L.	P.	Pts.	Pct.
C.L. "Reds"	5	5	0	25	22	.880
S.R.C.	5	3	2	25	14½	.580
Hongkew G.C.	6	3	3	30	17	.567
S.L.B.C. "Blues"	6	4	2	30	17	.567
Y.B.C.	5	3	2	25	13	.520
S.L.B.C. "Reds"	5	3	2	25	13	.520
J.G.C.	5	2	3	25	12	.480
C.L. "Greens"	5	1	4	25	7	.280
Police R.C.	6	0	6	30	4	.133

SECOND DIVISION

S.L.B.C.	4	4	0	20	18	.900
Hongkew G.C.	5	4	1	25	20	.800
Y.B.C.	4	2	2	20	11½	.575
Country Club	5	2	3	25	11	.400
B.B.C.	4	4	2	20	8	.400
J.G.C.	3	1	2	15	5½	.367
S.R.C.	6	1	4	25	6½	.260
Clube Lusitano	4	1	3	20	4½	.225

Polo Tourneys

Aug. 6.

Displaying far better teamwork than their opponents, the Wild Cats, the Mounties smashed their way to a 5-3 triumph when the two squads clashed in an Army Cup tournament fixture at the Race Course yesterday afternoon. The one-goal handicap did not seem to help the losers who appeared to be definitely off colour and a trifle unlucky.

Meanwhile, in a Tyro Cup encounter, the Grasshoppers, with the assistance of a one-goal handicap, trounced Meadowbrook by the idential count of 5-3 after a rather scrappy affair in which the standard of the game was typical of Tyro Cup matches.

A whirlwind start by the Mounties saw them more than overcome the one-goal handicap which they conceded. Before the game had really settled down, the Mounties had already registered three times to lead 3-1 at the close of the first chukker.

Fettes Triumphs in Highclere Handicap

Newbury, Aug. 10.

The nursery season opened a month earlier than usual following the new Jockey Club ruling. Fettes, St. Leger candidate owned by Mrs. MacDonald Buchanan, won the Highclere Handicap and £750, beating Mr. F. Pratt's Lupercus by half a length. Mr. H. Leach's Osprey was third, a length and a half behind. Fettes started the second favourite at 9/4. Lupercus was the favourite at 2/1. Osprey started at 10/1. Fettes was ridden by Harry Wragg.

Major Lionel Montague's Trouble won the first juvenile handicap of the season, beating Aga Khan's Mah Iran by a head in the Highclere nursery over five furlongs. Mr. Read's Luckyval was third, half a length behind.—Reuter.

Though the Mounties made a desperate comeback in the third frame, scoring twice, two goals by the winners in the last chukker sealed the issue.

Man of the Day

"Chuck" Culbertson was again the man of the day. Despite playing back he managed to score no less than four of the five points. "Link" Moore, the team's hard-riding No. 1 accounted for the remaining tally.

Every aggression of the winners appeared to revolve around Culbertson whose long drives paved the way for most of the attacks. Sprague and Fritz were not at their best, both were hitting inaccurately and inclined to top the ball. Their strong point yesterday was their better understanding and finer marksmanship.

The teams were:—

MOUNTIES 5, WILD CATS 3

Mounties:—Moore, Sprague, Fritz, Culbertson.

Wild Cats:—H. A. White, C. B. Moller, E. B. Moller, R. B. Moller.

GRASSHOPPERS 5, MEADOWBROOK 3

Grasshoppers:—Kauffman, Kinloch, A. V. White, Kiehn.

Meadowbrook:—Kay, Striker, Rogoff, Holden.

Army Cup Polo

Aug. 8.

The Mounties continued their winning vein in the Army Cup polo tourney when they disposed of the Troopers by the count of 6-3 after a match which was far more closely contested than the scores appear to indicate. The losers received a handicap of one goal but this did not seem to help them to any great extent.

Meanwhile, the Tyro Cup tournament also made further progress when the Hurricanes just managed to eke out a narrow triumph of 3-2 over the Grasshoppers. This match, like the Army Cup one, was hard-fought throughout with both sides going at it hammer and tongs from the opening bell.

All "Do Their Bit"

Every member of the Mounties did his share towards the team's success. Each scored once, except "Chuck" Culbertson and "Link" Moore, who netted two goals apiece. It was again the better teamwork of the winners that told in the end as, with each player understanding each other well, they were able to attack strongly and enter the Troopers' territory frequently.

Pote-Hunt was the hero of the Hurricanes-Grasshoppers tussle as he scored all three points for the winners. Playing in the pivot position of No. 3, he capably captained his men who played a slightly more aggressive game than the losers and although the Grasshoppers were in the Hurricanes' territory almost half the game, poorer marksmanship made all the difference.

County Cricket

London, Aug. 6.

Yesterday's cricket match at Lord's was left drawn, the Kent and Surrey team scoring 65 for three, in reply to the combined Middlesex and Essex sides' 412 for six, declared.—Reuter.

Jenkins Leads S.C.C. To Victory

Aug. 11.

Despite the seemingly impossibility of playing cricket yesterday following the heavy rain over the last few days the Parsees visited the Shanghai Cricket Club yesterday afternoon and engaged a strong S.C.C. XI in an interesting game that was eventually won rather handily by the hosts by the margin of six wickets. The Parsees batted first but could muster only 81, in reply to which the hosts knocked up 145 passing their opponents' total for the loss of only four wickets.

J. C. Jenkins, the Club all-rounder, took the honours of the day with a finely executed 68 in addition to claiming five Parsee wickets for less than eight runs apiece. Divecha, Parsee skipper, when the S.C.C. side was batting, was in brilliant trundling form, securing no less than eight wickets for a mere 40 runs—a brilliant performance.

Parsee C.C.

F. R. Kermani, run out	26
S. P. Karanjia, b. Orr	0
N. N. Mehta, b. Orr	4
M. J. Divecha, c. Jenkins, b. Orr	18
S. M. Charna, c. Weidman, b. Jenkins	19
S. F. Shroff, b. Orr	0
A. B. Tata, b. Jenkins	0
J. B. Tata, b. Jenkins	5
B. R. Viccajee, c. Weidman, b. Jenkins	0
P. M. Charna, c. Pettit, b. Jenkins	3
H. P. Karanjia, not out	2
Extras	4
Total	81

BOWLING ANALYSIS

	O.	M.	R.	W.
Jenkins	12.2	0	39	5
Orr	11	5	12	4
Lingard	4	1	8	0
Pettit	3	0	16	0

S.C.C. XI

J. B. Brown, c. and b. Divecha	20
L. Underwood, c. Mehta, b. Divecha	5
E. A. Weidman, b. Divecha	15
J. C. Jenkins, c. Mehta, b. P. M. Charna	68
A. Lingard, c. and b. Divecha	0
H. E. Orr, c. S. P. Karanjia, b. Divecha	8
R. F. Scott, st. Tata, b. Divecha	1
E. R. Duckitt, b. P. M. Charna	0
C. C. Large, st. A. B. Tata, b. Divecha	4
D. L. Milne-Day, c. J. B. Tata, b. Divecha	9
A. W. Pettit, not out	8
Extras	7
Total	145

BOWLING ANALYSIS

	O.	M.	R.	W.
Kermani	5	0	16	—
Shroff S. F.	8	2	34	—
Charna P. M.	5	1	31	2
Karanjia H. P.	3	0	15	—
Divecha	10.4	2	40	8
Tata J. B.	1	0	2	—
Viccajee B. R.	4	4	0	—

Scottish Soccer Opens

London, Aug. 10.

While English football is still in the throes of domestic trouble, Scottish soccer, after only a few weeks' rest, opened the new season yesterday.

The Glasgow Rangers, the only club running two teams, made a successful start, both teams winning.

Following are the results of the Southern League:

Albion Rovers 2; Partick Thistle 2.
Clyde 8 Falkirk 0.
Dumbarton 3; Airdie 5.
Hamilton 3; Third Lanark 4.
Heart of Midlothian 3; Coltic 0.
Moton 2; Hibernian 1.
Queens Park 1; St. Mirren 2.
Rangers 3; Motherwell 0.

North-Eastern League matches resulted in the following scores:

Leith 3; Glasgow Rangers 5.
Raith Rovers 2; Aberdeen 4.
Dundee United 1; East Fife 1.
Dunfermline 7; St. Bernards 3.—Reuter.

U.S. Baseball Standings

New York, Aug. 10.

AMERICAN LEAGUE

	W.	L.	Pct.
New York	74	36	.673
Cleveland	68	48	.547
Boston	56	51	.523
Chicago	55	53	.509
Detroit	50	57	.467
Philadelphia	49	58	.458
Washington	43	61	.413
St. Louis	42	63	.400

NATIONAL LEAGUE

	W.	L.	Pct.
Brooklyn	68	37	.648
St. Louis	69	38	.645
Pittsburgh	58	46	.558
Cincinnati	56	46	.533
New York	49	51	.490
Chicago	46	60	.434
Boston	44	60	.423
Philadelphia	23	77	.260

—United Press.

1500 Metres Record Broken

Stockholm, Aug. 11.

The Swedish long-distance runner, Gunder Haegg, has established a new record for the 1,500 metres by covering the distance in 3 minutes 47-6/10 seconds.

The previous holder was the New Zealander, Jack Lovelock, whose time was 3 minutes 47-8/10 seconds.—Reuter.

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FOREIGN TELEGRAMS

The European War, August 5.

Bitter Fighting on Soviet Front

London, Aug. 5.

THE latest Soviet communique reported fighting during the night in three of the four critical points on the eastern front which have emerged in the last 24 hours.

The first of these is at Smolensk, on the Moscow Road, in the "wedge" hammered out by German panzer divisions, where Soviet troops have been holding their own against the heaviest weight of men and material the Nazis can contrive to throw into the battle.

Well-informed circles in London today expressed the opinion that the Russians have brought the German attack here to a standstill, but it is too early yet to say definitely whether the Germans have decided to switch away from this drive and concentrate on other fronts where there may be a better chance of pushing forward.

Pressure Increased

While possibly preparing a third offensive here, which will take some time to get ready, Hitler's divisions are bringing increased pressure to bear in fierce hand-to-hand and tank versus tank struggles in the Kiev and Leningrad sectors.

Both claws of the Nazi "pincers" to nip off Kiev, figure in today's Soviet communique, which reports fighting at Belaya Tserkov, 45 miles south-west of Kiev, and again at Korosten, 95 miles north-west of the city.

No mention is made of the situation at Kholm, where the Nazis apparently aim at cutting Leningrad's communication with the south. This town figured in the overnight Soviet communique for the first time. It lies 75 miles south of Lake Ilmen and a similar distance south-east of Porkhov.

Threat to Kiev

For the present, the fresh German attacks in the Kiev and Leningrad sectors are not believed in London to be at blitzkrieg pace, but a threat to Kiev and indirectly to Odessa from the southern arm of the German pincer movement is certainly being seen. By getting to Belaya Tserkov, the Germans have reached one railway from Kiev to Odessa, but there is another line from which they are still a long way off.

The renewed activity towards Kiev and Leningrad is regarded as further evidence that the Nazis have been held up at Smolensk, temporarily at any rate. Earlier Stockholm reports said that arrangements had been completed by the Nazis to relieve their exhausted front-line men for a renewed drive on Moscow, Leningrad, Kiev and Odessa, but despite attacks on their communications the Soviet forces have also benefited by the recent lull.

Soviet Communique

The latest communique issued by the Soviet Information Board today states:—

"During the night of August 4, our troops continued fighting against the enemy in the directions of Smolensk (in the centre) and Korosten and Belaya Tserkov, (in the Ukraines).

"Our air force continued to strike blows against enemy mechanized units and infantry and bombed enemy aircraft on their aerodromes."—Reuter.

Stern Said Preparing Offensive

London, Aug. 5.

Reports reaching London today said that Soviet troops under the command of General Stern, former commander of the Far Eastern Army, were preparing an offensive in the Karelian Isthmus between Kexholm, on the southern shores of Lake Ladoga, and Viborg.

Aerial reconnaissance indicated a steady flow of supply trains from Leningrad to Finland as well as heavy Soviet troop concentration behind the old Mannerheim Line, these reports said.

The Finns were reported to have rushed troops to the front toward the Isthmus defences to counter the eventual Soviet attack.

There was a possibility that the Soviets intend to bluff the Finns into drawing troops from other fronts.

Soviet Concentrations

The Russians, according to the reports reaching here, were estimated to have massed 1,000,000 men on the northern front at the beginning of the war, against 300,000 Finns and 100,000 Germans. Half the Russian force in the area was said to be facing 200,000 Finns in the Karelian Isthmus.

The reports added that the outcome of the battle in the Leningrad region probably would determine whether Gen. Stern would launch an offensive.

Reports also said that the Soviets were preparing to attack the northern shores of Lake Ladoga, indicating the intention to defend the Murmansk railway and Stalin Canal, which are considered of supreme importance in maintaining communications with the southern forces in the arctic front.—United Press.

Russian Attack Said Repulsed

Berlin, Aug. 5.

Efforts by trapped Russian troops to smash their way out of a pocket were frustrated as heavy German forces repulsed the Red attack, the High Command announced today.

At the same time, the Germans delivered a surprise blow against Russian forces about 60 miles south-east of Smolensk, catching the Russians unawares and thus trapping a new Russian group, the High Command added.

The new Soviet force was partly encircled and partly annihilated, the High Command claimed.

The High Command also claimed the capture of the Estonian town of Tapa and claimed that German planes broke through Moscow defences in several waves to drop bombs on the Red capital.—United Press.

Unsuccessful Raids On Leningrad

Moscow, Aug. 5.

German attempts to bomb Leningrad have been even less successful than those on Moscow, Gen. Mikhail Protsvetkin said in an article in "Pravda" yesterday.

Gen. Protsvetkin said that although German raids began on the first day of the war and often occurred several times daily and nightly, not a single bomb has been dropped on the city of Leningrad.

The Luftwaffe, he said, was unable to penetrate the inner ring of defences of anti-aircraft guns, fighters and balloons, which invariably intercepted raiders.

Predicting intensification of the raids, the writer said that Leningrad was fully prepared to meet any eventuality.—United Press.

R.A.F. Fighter Has Huge Fire Power

London, Aug. 5.

Four cannon guns and machine-guns—this is the most formidable fire-power known to have been fitted to any warplane. German bombers hit by these cannon fired in the fuselage and machine-guns in wings have exploded and disintegrated.

With a nominal top speed of 330 m.p.h. at 14,000 feet, the Beau fighter, carrying a pilot and an observer, has a range of 1,500 miles—again a nominal figure. This is achieved by two Bristol Hercules 111 engines, air-cooled, with 14 cylinders in two rows and fitted with two speed super-chargers for boosting engine-power at a high altitude.

Fuel is carried in four self-sealing tanks with a total capacity of 550 gallons. Separate oil tanks for each engine are mounted with a capacity of 18 gallons each.

Exceptoinal Equipment

Equipment of the Beau fighter is exceptionally complete. It includes an oxygen apparatus and cabin-heating system for relief of the crew in cold atmospheres. At the same time, provision has been made for carrying a four-gallon water tank for desert use.

The maximum speed, ceiling and range of this "exceptionally powerfully armed" long-range fighter is not given. So far its use as a day fighter has not been known.

It can now be revealed that it was Beau fighters which made the highly successful attack on aerodromes in Sicily on July 28, when between 30 and 40 enemy aircraft were destroyed on the ground and many others damaged.—Reuter.

Nazi Oppression of Greece Revealed

London, Aug. 5.

"We have evidence that the German authorities in Greece have been stealing even supplies put in by the Italian occupying forces," declared Mr. Hugh Dalton, Minister of Economic Warfare, in the House of Commons today.

He made this accusation when asked if he was aware of the sufferings of the Greek people under the enemy yoke—suffering as bravely endured as it was wantonly imposed—but the British Government must continue to insist that both legal and moral responsibility for feeding populations in enemy-occupied territory rested upon the enemy and that to relax the blockade to any part of enemy-occupied Europe must strengthen the enemy and prolong the war.

There were, on admission of the German authorities themselves, large reserves of wheat flour under their control and part of these supplies, if the Germans chose, could be used to feed the Greeks.

Replying to a further question, Mr. Dalton said there was no evidence at all that the German Red Cross would be able to operate in any enemy-occupied territory.—Reuter.

Nazi Prisoners in Middle East

Many Germans have been captured in battles in the Western Desert. The picture shows a column of prisoners of war being marched into a prison camp somewhere in Egypt.

U.S. Pledges All Out Aid to U.S.S.R.

Washington, Aug. 5.

The United States has formally pledged all-out economic and war aid to Russia in its struggle against German's "predatory attack," it was revealed yesterday by Mr. Sumner Welles, Under-Secretary of State.

The promise of aid was made in an exchange of notes which also extended for a year the prevailing trade agreement between the two countries.

The notes were signed on Saturday and were exchanged by M. Constantin Oumansky, Soviet Ambassador, and Mr. Welles. The United States has promised to give Russia priority in the delivery of essential war materials.

"Friendliest Consideration"

The United States also promised the "friendliest consideration" in placing Russian orders, consideration of the extension of available shipping facilities for the delivery of such aid and pledged the removal of all export control and the issuance of general licences to permit unlimited exports of needed materials.

In substance, the exchange of notes means that Russia will share with Britain and China. United States war aid provided shipping facilities can be found, but not under the terms of lend-lease act which governs assistance to Britain and China.

Russia will pay cash or earmark gold for all materials bought.

Russia, on her part, pledged that her resistance to Germany would "correspond in magnitude" to the economic assistance thus received.

"Economic Assistance"

Mr. Welles said that the decision of the United States was to "give all economic assistance practicable for the purpose of strengthening the U.S.S.R. in its struggle against armed aggression."

The decision was prompted by the conviction of the United States that the strengthening of the "resistance by the U.S.S.R. to the predatory attack of the aggressor who is threatening the security and independence not only of the Soviet Union but also of all other nations is in the interest of the national defence of the United States."

In the light of this decision, Mr. Welles pointed out the United States was giving the "friendliest consideration to requests from the U.S.S.R. and its agencies regarding orders from this country and for the speedy delivery of the same."

Mr. Welles also said that the Russian orders would "receive priority assistance upon the principles applicable to orders of countries struggling against aggression."

Export Licences Granted

Mr. Sumner Welles, Under Secretary of State, yesterday announced that the United States was issuing "unlimited licences permitting export to the Soviet Union of a variety of articles needed for strengthening defences of the U.S.S.R."

Mr. Welles said that the United States also was giving "favourable consideration to requests for extension of available American shipping facilities in order to expedit shipments to the U.S.S.R. or articles and materials needed for defence.

The permission ostensibly was the result of the visit here of the Soviet military mission, plus the visit to Moscow of Mr. Harry Hopkins, co-ordinator of the United States aid programme.

M. Oumansky indicated that the Soviets expected that the quantity of United States aid may be "huge."—United Press.

British Supplies To Russia

London, Aug. 5.

The British Government is doing everything possible to supply Russia's needs, declared Mr. Hugh Dalton, Minister of Economic Warfare, in the House of Commons today.

Now that Russia was at war as an ally, Mr. Dalton added, a War Trade agreement designed to limit supplies of vital war materials to the enemy was unnecessary. The Soviet Government had furnished the British Government with a list of its requirements and these Britain was doing her best to supply.—Reuter.

Vichy Says No Bases to Reich

Vichy, Aug. 5.

THE Vichy Government yesterday assured the United States that it would refuse to surrender Empire military bases to Germany or any other power. Vichy also said that Dakar was "in a full state of defence."

The German controlled Paris press, meanwhile, came out flatly and warned that Vichy faces "tragic consequences" unless it agrees to "political, and military collaboration for defence of the French colonial empire as in the case of the Far East."

The Paris press said that there must be "immediate and radical change in the men and methods" of the Petain Government."

The Paris "L'Oeuvre" alleged that Admiral William Leahy, United States Ambassador, in Friday's talks with Marshal Petain and Admiral Francois Darlan, "offered American aid to help France resist and defend the African Empire against Germany."

No Further Concessions

Assurances that France would refuse to give up military bases anywhere in the French Empire, after cession of military facilities to Japan, in Indo-China, were contained in an authorized statement.

The statement answered the stern warning of Mr. Sumner Welles, Under-Secretary of State, on last Saturday.

Observers said, meanwhile, that no change in Franco-American relations was likely to result from Marshal Philippe Petain's "reaction" to new Axis demands for closer collaboration. It was said that M. Francois Darlan, Vice-Premier, and General Maxime Weygand, Governor-General of French North Africa, support him in this stand.

No Repetition

The authorized statement took issue with Mr. Welles' statement and said that there would not be any repetition of the Franco-Japanese deal because "circumstances were not the same" in other parts of the French Empire.

A spokesman recalled August 30, 1940 when M. Paul Badouin, then Foreign Minister, signed a treaty with Japan whereby Vichy recognized Japan's preponderant position in the Far East.

No "Reaction"

"On that account we gave military facilities and at that time the United States did not 'react'," said the spokesman. "The Japanese told us there were enemy concentrations threatening Indo-China."

The spokesman stressed that Japan cited enemy concentrations as exclusively Chinese.—United Press.

Nogues, Gort Said To Have Met

Madrid, Aug. 5.

Reports from Gibraltar said today that General Auguste Nogues, French Resident General of Morocco, secretly visited Gibraltar a few days ago and conferred with Viscount General Gort, Governor-General of Gibraltar.—United Press.

Yomiuri Urges Aid to Axis

Tokyo, Aug. 5.

In an editorial today entitled "The Importance of Franco-German Co-operation," the popular "Yomiuri" declared, "It seems clear that the only way in which France can hope to revive as a nation is to give positive military assistance to Germany."

The widely-read journal asserted that if France had given Germany more military aid, Syria could have offered stronger resistance against Britain. The paper added, "The capture of Syria by the British.... was not only a severe blow to the French, but a serious obstacle in the way of the campaign against the British."

The "Yomiuri" went on to charge that despite the fact that it was known that the British desired French bases in North Africa, the French had failed to take adequate defence measures.

Concluding, the "Yomiuri" declared that Vichy should realize that the attitude of not committing itself to either side "only seals the fate of France."—Domei.

Lord Gort Visits General Barron at Algeciras

Madrid, Aug. 5.

Lord Gort, Governor and Commander-in-Chief at Gibraltar, yesterday paid a courtesy visit to General Barron at Algeciras who was recently appointed to command areas contiguous to Gibraltar.—Reuter.

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Tobruk Axis Positions Bombed

Cairo, Aug. 5.

Scores of bombs were seen to fall on gun positions in the Tobruk area when squadrons of the South African Air Force delivered a heavy attack on Sunday. The South Africans were flying Maryland bombers, states a communique from R.A.F. Headquarters in the Middle East.

R.A.F. and South African fighters carried out offensive patrols over enemy-occupied areas. During Saturday night a large formation of R.A.F. heavy bombers attacked the harbour of Benghazi. In addition to causing a large number of fires, a direct hit was registered on an anti-aircraft battery. One of these aircraft also machine-gunned anti-aircraft guns and searchlights at the Berka aerodrome from a low altitude. During the same night naval aircraft bombed Misurata where they demolished a blockhouse with a direct hit and also severely damaged barracks.

Attack on Reggio

The R.A.F. carried out a successful attack on a number of Italian fighters on the ground at Reggio, in Italy, on Sunday. Fragments of planes were seen flying into the air as a result of the attack and it is known that a large number of Macchi 100's were destroyed. From these operations all the aircraft returned safely.—Reuter.

Bombs Dropped On Malta

Malta, Aug. 5.

"There were two alarms on Sunday night and a small number of raiders dropped bombs," states an official communique. A raider, caught in the searchlights, released its bombs, causing some civilian damage, but no service damage or casualties.

Yesterday morning an enemy fighter patrol approached Malta, but withdrew before our fighters could attack. A large church in a thickly populated area was hit by random bombing during recent raids.—Reuter.

New Zealand Pilot Awarded V.C.

London, Aug. 5.

The Victoria Cross has been conferred on Sergeant James Allen Ward, of the Royal New Zealand Air Force, in recognition of "most conspicuous bravery."

On the night of July 7 Sergeant Ward was second pilot of a Wellington bomber returning from an attack on Munster. When flying over the Zuider Zee the aircraft was attacked from beneath by a Messerschmitt. Fire broke out near the starboard engine and fed by petrol from a split pipe line quickly gained an alarming hold and threatened to spread to the entire wing. The crew forced a hole in the fuselage and made strenuous efforts to reduce the fire with extinguishers and even used coffee from their vacuum flasks but without success.

Nearly Blown Off Wing

As a last resort Sergeant Ward volunteered to smother the fire. With the help of the navigator he climbed through the narrow patch, breaking the fabric to make hand and foot holds where necessary and also taking advantage of existing holes he succeed in descending to the wing and moving to a position beside the engine despite the slipstream which nearly blew him off the wing. Lying in this precarious position he smothered the fire in the wing.

Tired as he was he was able with the navigator's assistance to make the perilous journey back into the aircraft. There was then no danger of the fire spreading from the petrol pipe as there was no fabric left nearby and in due course it burned itself out. When the plane reached home a safe landing was made despite damage sustained.—Reuter.

Strength of Australian Forces Revealed

Melbourne, Aug. 5.

The announcement by the Australian Army Minister, Mr. P. C. Spender, during a broadcast last night that 160,000 men had enlisted in the Australian Imperial forces and that 90,000 of them had been sent abroad is the first official disclosure of Australia's army figures.

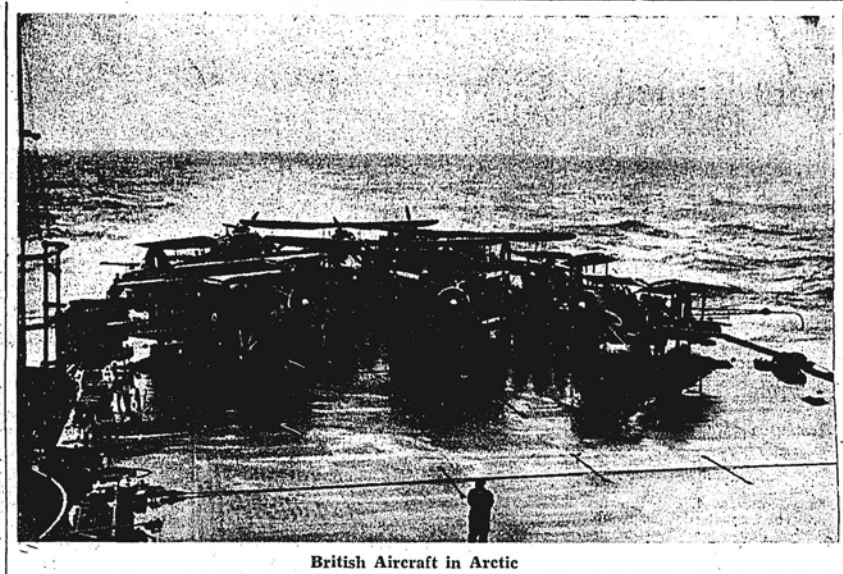
It is officially pointed out that today that they compare favourably, on a population basis, with Canada's 570,000 men. Australia, it is added, has 200,000 men for home defence, as well as large numbers in the Royal Australian Air Force and the Royal Australian Navy.—Reuter.

Mackay Appointed Chief Of Australian Forces

Melbourne, Aug. 4.

Sir Ivan Mackay, General commanding the Australian expeditionary Force in Libya has been appointed Commander of the Australian Home Forces, it was officially announced here today.

The increasing importance of the Commonwealth's defence and the need of an officer experienced in actual modern warfare have prompted this choice, it was explained in well-informed circles.—Havas Telemondial.



British Aircraft in Arctic

British fighters operating from aircraft carriers appear to have co-operated with bombers in attacks on Petsamo and Kirkenes and to have given rise to reports that some major British action is about to be taken in co-operation with the Russians in their fight against the Nazis. The picture shows planes on a British aircraft carrier preparing to take off.

The European War, August 6.

Soviets Holding New Attacks

London, Aug. 6.

THE latest news from the eastern front suggests that the Germans are making little impression by their new attacks against the right wing of Marshal Timoshenko's army in the centre and the forces under Marshal Budenny around Kiev.

The mid-day Russian communique again mentions fighting in the Kholm sector, about half-way between Leningrad and Smolensk and also in the area of Smolensk itself and near Belaya Tserkov, 45 miles south-west of Kiev.

A statement that the battle in Estonia is continuing seems to dispose of German claims that they have mopped up the remaining Russian forces there. The Russian communique adds that the Soviet air force continues to strike hard at the enemy's mechanized units, infantry, artillery and aerodromes.

Meanwhile, today's German High Command communique claims that 895,000 prisoners had been taken in the Russian campaign and that the number of killed is "far greater."

Special Nazi Announcement

A special announcement from Hitler's Headquarters gives the long-promised report on progress on the eastern front, now made possible by "the beginning of new operations."

The announcement claims that a break-through was achieved at three decisive points between the Black Sea and the Gulf of Finland, namely south of the Pripet Marshes, in the direction of Smolensk and south of Lake Peipus.

Communiques to follow would describe the fighting and estimate the results achieved. Reports on operations on the Finnish front and of the German Navy would be given later, the announcement stated.

Following are the chief points of four German communiques:—

1. The capture of Ostrov, Porkhov and Pskov created the conditions for a push to the north and initiation of an attack in the direction of Leningrad. Left flank forces advancing between Lake Ilmen and Lake Peipus were driven practically up to Narva in order to close the land bridge between Lake Peipus and the Gulf of Finland.

Violent Skirmishes

Meanwhile, the army operating in Estonia took Dorpet, Fellin and Pernau and threw enemy divisions, after numerous violent skirmishes, back to the north of Taps. Operations of this army group have not yet been concluded, but over 35,000 prisoners have been taken, 355 tanks and 655 guns captured or destroyed and 771 aircraft destroyed in combat or on the ground.

2. In the south, troops had to overcome particularly difficult conditions of terrain, weather and numerically superior enemy forces. One force succeeded in driving a wedge to the gates of Kiev. Having made this deep breach in the Stalin Line, it swept round between the Dniester and Dnieper to the south, cutting off enemy lines of retreat and launching an enveloping movement. Hungarians and Slovaks participated. A German-Rumanian force freed Bessarabia and crossed the middle Dniester towards the north-east to establish contact with the force from the north. Here, the count totalled 150,000 prisoners, and 1,970 armoured cars and 2,190 guns.

In addition, 900 aircraft were destroyed.

Central Sector

3. In the central sector, the army group under Field-Marshal von Bock has vigorously concluded a great battle of Smolensk, which for space, time and hardness of fighting had a "unique place in history." Some 310,000 prisoners were taken, 3,205 guns and vast quantities of other war material captured or destroyed. The Soviet air force lost 1,098 aircraft in this sector details of progress of the battle would be given in tomorrow's High Command communique.

4. Successes were thereby achieved, which far exceeded "our most daring expectations." They can only be appreciated to a full extent if one considers that the bloody losses of the enemy "fighting with extreme stubbornness and sullenness," far exceeded the number of prisoners taken. The Soviet forces were the "bitterest enemy" so far encountered. Earlier Soviet losses given on July 11 have now risen to 895,000 prisoners, 13,145 armoured cars, 10,388 guns and 9,082 aircraft.

Railway System

Owing to exceptional organization, the railway system in the occupied enemy zone has been restored almost to full extent and practically up to the zone of battle. "Conscious of their superiority and of the certainty of final victory, the German armed forces are now ready to continue, in a new sector of operations, the fight which they have begun with a series of very great victories," the German communiques conclude.

Soviet Communique

The latest communique issued by the Soviet Information Board today states:—

"During the night of August 5 our troops continued fighting in the directions of Kholm, Smolensk, Belaya Tserkov and in the Estonian sector of the front, in other directions and sectors of the front, no major operations took place.

"In the Baltic Sea, one of our submarines sank an enemy transport with troops and munitions.

"Our air force continued to strike at enemy mechanized units and his infantry and artillery and against enemy aircraft on their aerodromes."

A report from Moscow tells how German infantry tried in vain to break through the Russian defence but eventually were driven back, leaving about 1,600 killed and wounded on the battlefield. The Germans also lost 60 machine-guns and a good part of their artillery.

Nazi Claim Refuted

As the Germans had claimed the destruction of the great Stalin Motor Works in Moscow, M. S. A. Losovsky, Foreign Vice-Commissar, yesterday invited Foreign Correspondents to visit the factory today.

The Russians say that German attempts to bomb Leningrad have been even less successful than their raids on Moscow. During the last week of July, the Germans are stated to have lost 41 aircraft without dropping a single bomb on the city.

The Germans' pincer movement in the Ukraine is believed to be the chief effort at the moment, as even partial successes might enable them to threaten the Black Sea port of Odessa. But German claims are still unconfirmed by any reliable sources.

Berlin correspondents of Swedish newspapers suggest that these reports are put out with exaggerated emphasis in the hope that the German public will believe that the battle of Smolensk is over. On the other hand, the Germans themselves are still making a good deal of this battle, stressing its tremendous scale and difficulties.—Reuter.

Moscow Attacked By Luftwaffe

London, Aug. 6.

Several groups of German planes attacked Moscow on Tuesday night, reports Moscow radio.

Again only single planes succeeded in breaking through the city's defences, it is stated, and no important damage was done.

The rest were scattered by anti-aircraft guns, and night fighters, which brought down five aircraft.—Reuter.

Soviet American Relations Unchanged

Moscow, Aug. 6.

Discussing the recent visit here by Mr. Harry Hopkins, coordinator of the American Aid-Britain programme, M. S. A. Lozovsky, Vice-Commissar of Foreign Affairs, told the press yesterday that "our prior normal diplomatic and trade relations remain unaffected. No change in our (Russo-American) relations occurred" as a result of the visit.—United Press.

Sino-Soviet Conference Denied

Moscow, Aug. 6.

A denial of reports appearing in the Japanese press that a Sino-Soviet military conference took place recently in China was made by S. A. Lozovsky, official spokesman, at a press conference yesterday.

He described the story as one of the sensational rumours which had appeared in the foreign press recently and which were unworthy of credence.

Questioned whether the Soviet-Yugoslavian pact signed in the Spring was still valid, as no new agreement had been announced with Yugoslavia, the contrary being the case with Poland and Czechoslavia, M. Lozovsky stated that formal resumption of relations with the Czechs was necessary as there had been none for a long time. In the case of Yugoslavia, however, the return to Moscow of the Yugoslavian Minister indicated that all previous agreements were valid.—Reuter.

Free French Parachute Corps Formed

London, Aug. 6.

A Free French parachute corps, it can now be revealed, has been formed of officers and men of General de Gaulle's troops in Britain.

They can be used as an independent corps, or in conjunction with British formations.

Every man is a volunteer, and before receiving his "wings" has carried out a routine number of jumps from Whitley bombers, which are used in training.

British officers who saw them at the end of their training commented on the enthusiasm and dash of the first Frenchmen to learn this new form of warfare.—Reuter.

Shipment of War Goods to Russia

Washington, Aug. 6.

The United States has already sent the first shipment of war supplies to the Soviet Union, thus fulfilling its pledge of immediate assistance against Germany, authoritative quarters revealed last night.

The first shipment included armaments and industrial machinery. The machinery was ordered prior to the outbreak of the Russo-German war, these sources said.

It was assumed here that the shipment was proceeding to Russia via the Pacific despite veiled Japanese threats to interfere with such shipments.

Interference Doubted

United States Government officials doubted whether Japan would attempt to interfere with United States shipments of war materials to Russia despite hints by the Japanese press that such American action might be considered unfriendly because of Tokyo's affiliations with the Axis as well as the strained state of relations between the United States and Japan.

Informed sources minimized the masked threats on the grounds that it would be unlikely that Japan would risk action which might lead to serious trouble and further deterioration of Japanese-American relations.

In addition, it was pointed out here, the Japanese refusal to sanction such shipment might seriously injure Russo-Japanese relations in view of the fact that the two countries still have a non-aggression pact.

Plans were now being completed here to allocate some American shipping space for Russian-bound goods and also to clear Soviet vessels in United States ports speedily.—United Press.

N.E.I. Government to Stay in London

Batavia, Aug. 6.

The Netherlands East Indies Government, in the People's Council, again emphasized that no question of removal to the east of the Netherlands Government is being considered.

"British resistance is continually increasing and our own confidence in an Allied victory is stronger than ever. On the other hand London, as the centre of warfare, is the best place for the seat of the Netherlands Government for the promotion of all affairs connected with Netherland's part in this common struggle."

Regarding the situation in the Pacific, the Government stressed the necessity of continued reinforcements to the Netherlands East Indies defence apparatus and increased economical and moral defensibility.

The delivery of ordered war materials is proceeding satisfactorily, each ship bringing important quantities from abroad. Endeavour is specially being made to obtain the most modern offensive and defensive materials.

Plans to start manufacturing munitions and explosives is in an advanced stage.—Reuter.

Nazis Lose Large Supplies Of Petrol

London, Aug. 6.

Big petrol stores belonging to the German Army have disappeared in the Roulers district in Western Flanders, according to news reaching the Free Belgian news service.

The German authorities are holding a wide-spread inquiry into the affair. Some arrests are stated already to have been made.

Curfew, beginning 9 p.m., has been imposed in the town of Malines, following a bomb explosion in front of a local branch of the Belgian National Bank. A reward of 100,000 francs has been offered for information leading to the arrest of those responsible for the explosion.

The fine of 1,000,000 francs which was imposed on Malines following earlier acts of sabotage was not paid on the date fixed, owing to opposition by the inhabitants.—Reuter.

Capture of Fort Assab In Italian E. Africa

Simla, Aug. 6.

The capture of Fort Assab, which proved to be the final nail in the coffin of the Italian East African Empire, was accomplished by Indian troops, the Royal Navy and the Royal Air Force, in a well planned attack, it is now revealed.

The attack, which was a complete surprise, took place one morning in June and was phenomenally successful since British forces sustained no casualties.

One Italian was killed, while more than 1,000, with 35 Germans, were captured.

Large quantities of rifles, machine-guns and ammunition were also secured.

The town offered little resistance, the general attitude being resignation and relief that it was all over.

But for the element of surprise in attack, it was considered that Fort Assab might have been a hard nut to crack.—Reuter.

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FOREIGN TELEGRAMS (continued)

German Cities Again Raided

London, Aug. 6.

MANNHEIM, Frankfurt, Karlsruhe and other places in south-west Germany were raided on Tuesday night by the R.A.F., it is learned here today.

The attacks were a conspicuous success. A great weight of the heaviest bombs was dropped, causing severe and widespread damage.

The weather was bad during the flight but clear over the targets. It is authoritatively understood that during July, 20 air attacks were made by the Royal Air Force on Germany, and 75 on German-occupied France. One hundred and twenty-six R.A.F. attacks were made in the Middle East. In these operations, the Royal Air Force lost 285 machines and destroyed 410 enemy aircraft.

Official Communique

Details of the attacks are given in the following Air Ministry communique: "In a gale of wind last night, a large force of aircraft of the Bomber Command attacked objectives at Mannheim, Frankfurt and Karlsruhe with conspicuous success.

"On the outward and return journeys very bad weather was encountered, but over the targets it was very clear and a great weight of the heaviest bombs was dropped, inflicting severe and widespread damage.

"Factories and railways at Aachen and the docks at Ostend were among the targets bombed during the night.

"A Beaufort aircraft of the Coastal Command on patrol last night bombed a large supply ship in the enemy-occupied port of Nantes. Two direct hits on the ship were observed.

"From these operations nine aircraft of the Bomber Command are missing."

Ships Hit

Direct hits from British bombers on three patrol vessels and a 2,000 ton ship are announced in an Air Ministry communique, which states: "Blenheim aircraft of the Bomber Command attacked an enemy convoy off the Dutch coast on Tuesday morning. Direct hits were seen on a ship of about 2,000 tons.

"Other Blenheims bombed enemy patrol ships off the German coast early yesterday afternoon and scored hits on three of them.

"Our fighters have carried out offensive patrols over the Channel and North France during the day. During one of these patrols, attacks were made at an aerodrome near Cherbourg and several enemy aircraft on the ground were hit and damaged.

"From these operations, one of our aircraft—a fighter—is missing."

Few Planes Over Britain

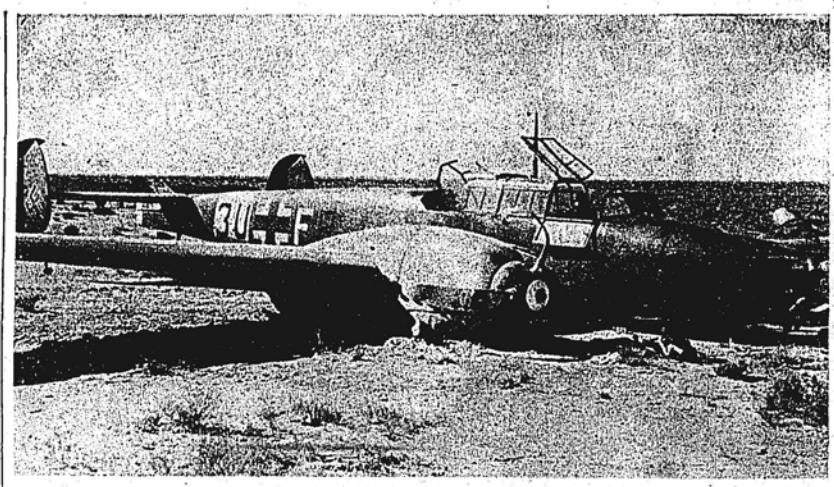
A very small number of aircraft made brief appearances over the coastal areas of Britain on Tuesday, says a communique. Up to evening there had been no reports of bombings.—Reuter.

Iceland Has Air Raid Alarm

Reykajavik, Aug. 6.

An air raid alarm sounded here between 4.30 a.m. and 5.10 a.m. yesterday, but no attack developed. The alarm was also sounded at Akureyri, in northern Iceland, during the night but there was no attack.

Iceland is at present under American military occupation. —United Press.



Messerschmitt Bites the Dust

British fighters have proved superior in almost every feature to the Nazi machines. This picture is of the remains of a Messerschmitt 110 which was shot down in the Western Desert by the R.A.F.

Successful Raid on Alghero

(BY REUTER'S SPECIAL CORRESPONDENT IN WESTERN MEDITERRANEAN ON BOARD H.M.S. ARK ROYAL)

Aug. 6.

IT is 3 o'clock in the morning. Rows of Swordfish planes are lined up on the stern of the ship ready to take off. A luminous reflection in the sky far away over the coast of north Sardinia shows us that the offensive started 45 minutes ago. The crews are already in the planes. Suddenly the flight deck is picked out in tiny pinpoint lights. The deck vibrates as the first bomber thunders forward. The centre row of safety lights disappears for a minute. We know the bomber is in the air.

Within a few minutes all are away. Signal lights flash in the sky until the aircraft are in formation and then the planes roar away. In the grey half light of dawn they return. All are there and soon are down.

The crews are reporting to the intelligence room. The raid was a great success. Brilliant flares flooded the Alghero aerodrome. All the pilots dropped their loads in the target area. Aerodrome buildings were hit and another stick was dropped near a petrol dump and two big fires began to rage in buildings. None of our planes was hit despite a hail of anti-aircraft fire.

The pilots tell us a great beacon of fire guided them to Alghero. The fire came from a building on the outskirts of the town set on fire by star shells fired by one of the British destroyers in a search for shipping in the harbour but there was none. Another destroyer shelled a seaplane base from Porte Conte Bay registering a number of hits.

An Italian plane appears overhead shadowing us. We expect Italian bombers any minute but they never come. Perhaps the weather is unfavourable at Cagliari although it is clear and sunny here. Maybe the mauling Signor Mussolini's planes received last week from our fighters and ships' guns has dampened their ardour.—Reuter.

R.A.F. Successful Raid on Derna

Cairo, Aug. 6.

Successful operations by R.A.F. heavy bombers in Cyrenaica during the night of August 3 are recorded in an R.A.F. communique.

One formation attacked Derna causing considerable damage and starting a number of fires. Two buildings at the base of the mole were destroyed. Bombs were dropped on a landing ground and on a battery which was silenced.

Other aircraft attacked a landing ground at Gazala, caused a series of explosions and several fires. Huts and a camp in the vicinity were machine-gunned from a few hundred feet and about 25 planes caught fire. The Martuba landing ground also was bombed. Fires and explosions were seen among dispersed planes.

An attack was made on shipping off the coast near Appollonia and hits were registered on one ship, possibly another. Merchant ships were again attacked in the same area on Monday and two of them are believed to have been hit.

Direct Hits on Tripoli

A successful attack was made on shipping in the harbour of Tripoli on August 3. One merchant ship of 800 tons was hit by a heavy bomb and a violent explosion threw up a great quantity of wreckage. Two direct hits were scored on military buildings which were also machine-gunned.

Reconnaissance at Reggio shows that in the attack reported in Monday's communique ten Macchi 200's and a Breda 200 were destroyed, while about 20 more Macchis were damaged. From these operations all the aircraft returned safely.

90 Killed In Suez Raid

Ninety people were killed and 106 injured in a raid on the Suez Canal zone on Monday night.—Reuter.

Former U.S. Destroyer Captures U-Boat

London, Aug. 6.

The "Official Gazette" yesterday revealed that the former United States destroyer Hunt, now H.M.S. Broadway, recently compelled a U-boat to surrender in the Atlantic.

The gazette said that after two other British warships had forced the U-boat to the surface with depth bombs, the Broadway opened fire and prepared to ram the submersible. The submarine crew then tumbled out from the conning tower and surrendered.—United Press.

Two Spies Executed

London, Aug. 6.

Two spies, Werner Heinrich Waelti, 35, and Karl Theo Drueke, 25, were executed at Wandsworth prison at nine o'clock this morning, after being tried and convicted under the Treachery Act, 1940.

Drueke was a German national and Waelti was a Swiss citizen. They had been brought to this country by a German seaplane to the Banffshire coast in Scotland and landed in a collapsible rubber boat which they endeavoured to sink, but which was later discovered, revealing their presence in Britain.

Both men were in possession of spy equipment, including wireless transmitting and receiving sets, English money, emergency food rations and foreign passports. Both men spoke English.

There was no public interest in the execution.—Reuter.

Tribute Paid to Russia

London, Aug. 6.

Members of the House of Commons cheered lustily today when the Lord Privy Seal, Mr. C. R. Attlee, referred to the magnificent fight of the Russian army and people when he opened a debate on the war situation.

Mr. Attlee stressed the very heavy losses in men and material sustained by the German forces and gave an indication of the weight of the British air offensive, but he added caution against undue optimism. There were, he said, satisfactory features in the present phase of the struggle which made it difficult for even the most philosophical to prevent cheerfulness from breaking in. There was nothing wrong in being cheerful provided there was no relaxation in effort. It should be recognized that the better situation was only comparative and that although Britain had come through great dangers and triumphs she was still fighting for her very existence against a very strong and ruthless enemy.

Outstanding Fact

One outstanding fact of the position today as compared with a year ago was that Hitler was now fighting on two fronts, which the German leaders had always striven to avoid. Hitler had attacked Britain by air, he had waged war unceasingly at sea, but the invasion, which at one time seemed imminent, had been postponed. But, said Mr. Attlee, nothing could be more foolish than to imagine that postponement meant abandonment. Possibility of an attempt remained and must remain a constant factor in British considerations. Instructions had been given to all forces in Britain to bring to the highest state of readiness preparations against an invasion. The British Army at home was well equipped and ready, and its strength was immeasurably greater than 12 months ago.

Mr. Attlee was confident that should the Germans attempt an invasion by sea or air, they would be destroyed, but nothing could be left to chance.

Struggle in Russia

"Today our eyes are naturally turned to the gigantic struggle ranging from the White to the Black Sea. Throughout the whole of that enormous battle area, the Russian Army and people are putting up a magnificent fight (loud cheers) against the massed forces of Germany and the hangers-on of the Nazi regime. It would be very foolish for any one to attempt to forecast the outcome of that struggle, but think it is abundantly plain that the plans of the German High Command for a rapid victory have not succeeded (cheers).

"As long ago as July 13, the Germans claimed that the Stalin Line had been pierced at decisive points and that the roads to Leningrad Moscow and Kiev were open. This claim has certainly not been substantiated. In the far north, Murmansk remains in Russian hands. Russian resistance is stubborn and the enemy has a considerable way to go before the railway line from Leningrad to Murmansk is reached.

No Progress

"On the southern shore of the Baltic, the thrust towards Leningrad has made no real progress recently. Tremendous fighting is now taking place in the Smolensk area, but the way to Moscow is still far from being open, while in the Ukraine, Kiev, the capture of which the Germans claimed three weeks ago, is still a bastion in the Russian defence.

"It is clear from the communiques of the German High Command that they have been disagreeably surprised by the determination, courage and fighting quality of the Russian army (cheers.) From the tone of German statements it would appear that they do not consider such pertinacity to be quite a playing game (laughter). It may not be the Nazi game but it is a winning game. It is clear that the Germans have sustained very heavy losses in men and material. I am sure that everybody has been stirred by this splendid resistance to the invader (loud cheers).

Utmost Help

"We are doing our utmost to give all possible assistance to our ally. The British Military Mission was at work in Moscow six days after the German invasion, and the Russian Mission has been at work in London for about the same time.

"We are taking urgent steps to furnish Russia with the war materials and supplies for which she has asked. The activities of our fleet at Kirkenes and elsewhere in the north show how close is our physical contact with the Russian forces.—Reuter.

R.A.F. Activity

Mr. Attlee then revealed that during the month of July 70 attacks were made on towns in Germany and 76 on towns in German-occupied territory. A heavy weight of bombs were delivered with great effect. In the Middle East during July, the Royal Air Force delivered 126 attacks on various targets, including Beirut, Benghazi and Tripoli. The British lost 285 machines while 410 enemy aircraft were destroyed for certain.

Declaring that he could not be expected to give any indication of other steps being taken to help Russia, Mr. Attlee said the House could rest assured that within practical limits everything possible would be done. An essential feature of the aid that Britain could give was not that it would be spectacular but that it would be effective.

Referring to the Battle of the Atlantic, Mr. Attlee said that during the past two months the Germans had continued their efforts to achieve success. With the coming of spring, the Germans were able to put an increasing number of U-boats into the water. Britain had made early provision to meet this danger by providing more anti-submarine craft.

In the course of the last few months, owing to the heavy scale of defence in home waters, the enemy had tended to range further and further afield so that the battle was now being fought over an immense area extending far out towards the coasts of the United States and the tropical seas of Africa. In this battle, said Mr. Attlee, "We have of course, suffered severe losses. We shall not be satisfied while these losses continue, but we can look back on the last two months with reasonable satisfaction. I cannot give detailed figures without presenting the enemy with information he would very much like to have, but I can say that imports are being maintained at a satisfactory figure despite all enemy efforts (cheers).

Vital Convoys

"Our convoys of vital supplies continue to arrive. From July 11 to July 28 the enemy were unable to broadcast a single claim of successful attack by U-boat. However, in the last few days of the month, U-boats did make contact with one of our southbound Atlantic convoys. A large force was deployed and a great effort was made. A still greater effort was made by Nazi propagandists. They claimed to have sunk 116,000 tons in addition to a corvette and destroyer. They gave a vivid description of a destroyer squadron sailing around the convoy zigzagging while an auxiliary cruiser directed the movements of the convoy and protecting ships which included Q-boats.

"The next day they raised the total tonnage sunk to 140,000 tons. What were the real facts? There were no destroyers. No Q-boats and no auxiliary cruiser present. The convoy was protected by corvettes, which gave a very good account of themselves as the U-boats have reason to know. I cannot give exact details of the tonnage sunk. The enemy's claims represent an exaggeration of a least 350 per cent. and probably 700 per cent. (laughter and cheers). If there were really some grounds for enemy satisfaction it would be unnecessary to indulge in these flights of fancy.

"Holding Our Own"

"None with any judgment would contend that we have yet won the Battle of the Atlantic, but we can say that in this vital part of battlefield we are holding our own. The enemy has up to now failed to prevent the orderly transport of food and ammunitions across the seas to this country.

"It is worth remembering that the war at sea also has its offensive side. July was a good month. On the North Sea and Atlantic coast, we destroyed, damaged or put out of action 69 enemy ships totalling 291,000 tons. This does not account for hits made on small craft, barges, tugs and the like. In the Mediterranean, the numbers were 23 ships totalling 158,000 tons and another 30 ships were considerably damaged. Attacks were also made on more ships with satisfactory results. Apart from attacks on smaller units and attacks on warships, 459,000 tons were sunk, damaged or put out of action in that month (cheers).

"Considering that the targets offered by the enemy are much smaller than ours, these results must cause him anxiety . . ."

Mediterranean Operations

Mr. Attlee then made reference to the successful convoying of stores through danger areas of the Mediterranean.

Referring to the presence of British forces on the Turko-Syrian border, he said that this would confirm and fortify British friendship and alliance with the Turks and enable Britain to afford greater protection to the inhabitants of Cyprus.

In Abyssinia, only a small pocket of Italians was held up in Gondar. Elsewhere in Abyssinia, the Emperor, with the help of his Ministers, had begun reconstruction of his country (loud cheers). At the Emperor's request, advisors had been placed at his disposal by the British Government and financial assistance was being afforded.

On the Egyptian border and in Tobruk the vigour of British fighting patrols had kept the enemy in such a state of continued nervousness that he had to illuminate the desert by night with searchlights.

Meanwhile, Mr. Attlee continued, "Day by day, week by week, tanks, guns, planes and supplies continue to arrive in the Middle East and reorganization and training for the next forward move go on. Another fact which differentiates our situation from that of last year is the vastly increased scope of assistance we are receiving from the United States (cheers). Not only does this stream of material exceed anything we received in the last war but it is sent to us under the extraordinarily generous terms of the Lease-Lend Act (cheers). The visit of Mr. Harry Hopkins had for its main purpose the promotion of even greater assistance under this act. No less encouraging is the sense of spiritual unity between the English-speaking peoples (cheers).

Parallel Action

"By independent but parallel action in relation to Japan, the United States and British Commonwealth have again affirmed their community of interests wherever liberty is threatened. Despite official Japanese protestations that their motives are purely defensive, the British Government are maintaining the utmost vigilance, especially in view of the fact that the tone of the Japanese press does not agree with that of official assurances."

There was evidence that Japan was directing her attention to Thailand in a manner which bears ominous resemblance to that which preceded the incursion into Indo-China.

There was clear evidence he continued, of a rising tide of resistance to Hitler's rule in all invaded countries. From the start, there had been sullen resentment and growing opposition. This increased month by month. The "V" campaign was no stunt but the spontaneous expression of a desire to help establish a world of peace and social justice (loud cheers).—Reuter.

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Churchill-Roosevelt Talks?

Washington, Aug. 6.

"WHERE'S Churchill ?" is the question on everyone's lips, but no one is able to supply the answer.

The statement in the House of Commons last night by Mr. C. R. Attlee, Lord Privy Seal and Deputy Leader of the House, that the British Prime Minister would not participate in the war debate, is described by one Washington paper as a hint that a conference between President Roosevelt and Mr. Winston Churchill will take place.

It further suggests that Mr. Harry Hopkins, the President's personal envoy, will also attend.

Mr. Cordell Hull, Secretary of State, was unable to throw any light on the matter yesterday, merely saying that he knew nothing about a meeting when he spoke to the President on Saturday night.

Many people believed that it would be difficult for President Roosevelt to get as far as Iceland from these shores, and just as difficult for Mr. Churchill to travel further than Iceland.—Reuter.

London Rumours

London, Aug. 6.

British quarters here yesterday said that Mr. Winston Churchill and Mr. Harry Hopkins, coordinator of the United States aid programme, were "together at some unrevealed point."

Observers said that the two men might be en route by air for a conference with President Roosevelt. The President is aboard his yacht Potomac off the eastern coast of the United States.

The "Daily Mail" said that a "very high personage" either Mr. Churchill or Lord Beaverbrook, would fly to the United States to confer with President Roosevelt.

Hopkins Mystery

The whereabouts of Mr. Hopkins since his return from Moscow was a mystery. British quarters, in a position to know said, however, that "you'll find Mr. Hopkins where Mr. Churchill is." They declined to state where that might be.—United Press.

Roosevelt On Cruise

Washington, Aug. 6.

A message from President Roosevelt's yacht, the Potomac, says that the President is continuing his cruise in northern waters, to an undisclosed destination.

An official message from President Roosevelt's yacht, the Potomac, states: "After a night of restful sleep the President is continuing the cruise in northern waters to an undisclosed destination. Attired in a sports shirt and slacks, the President is enjoying the sea air."

"In response to questions from members of his party regarding the scope of the cruise, the President announced that there was no definite schedule of localities, and the weather and angling prospects determined each days movements."

"The President spent some time discussing affairs with the Commander-in-Chief of the Atlantic Fleet."—Reuter.

India Proclaims Finland Enemy

Simla, Aug. 6.

The Indian Government has proclaimed Finland enemy territory, and the territory, formerly known as Italian East Africa, has been proclaimed as an area under occupation by His Majesty's Government.—Reuter.

Churchill Thanks Malta

London, Aug. 6.

The Prime Minister, Mr. Winston Churchill, has sent a telegram to the Governor of Malta in which he says:—"I take the occasion to congratulate you on the firm way in which you and your devoted garrison and citizens have maintained Malta against all attacks for more than a year, and to express my confidence that by the help of God our cause will continue to prosper and that the contribution of Malta to the final victory has been a noble factor to the famous history of the island."

The Governor has cabled the thanks of the island and has expressed the determination of Malta to make a good contribution for victory.—Reuter.

Vichy Changes in North Africa Status

Vichy, Aug. 5.

The status of the post of Delegate General to French Africa, now held by General Maxime Weygand, underwent several changes today, effected by the French Government.

Henceforth, the Delegate-General will refer back to the Vice-Premier all decisions of principle and of political nature and will receive instructions from the Vice-Premier.

As for the enforcement of other measures, the Delegate-General will be able to communicate directly with the State Secretaries within whose province these measures fall.—Havas Telemondial.

British Freighter Abandoned

Cape Town, Aug. 6.

After a six-day vain fight to extinguish a fire, officers and crew yesterday abandoned the 5,449-ton British motor freighter, Hannington Court, which had sailed from Table Bay on July 13.

The chief engineer and fourth engineer lost their lives fighting the fire which broke out soon after the ship left port.—United Press.

Two Heavy U.S. Cruisers In Brisbane

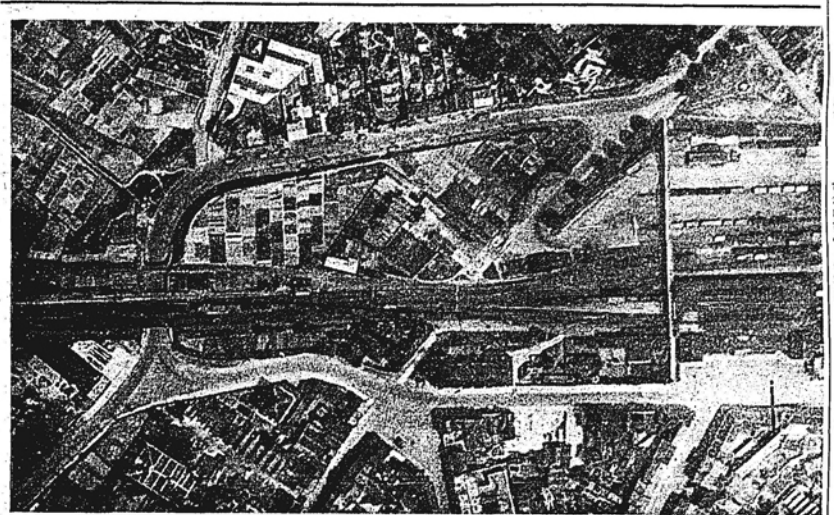
Washington, Aug. 6.

The Navy yesterday announced that the heavy cruisers Northampton and Salt Lake City had arrived in Brisbane. The vessels are on a training cruise in the South Pacific, the Navy said.—United Press

Hughes' Comment

Melbourne, Aug. 6.

Commenting on the visit to Brisbane of the United States warships Northampton and Salt Lake City, Australia's Navy Minister, Mr. W. M. Hughes, said this visit would not escape the attention of "friends northwards. Although only two warships are here, we are encouraged to believe that there are others about."—Reuter.



Hazebrouck Marshalling Yard—Before and After

The Upper picture shows Hazebrouck marshalling yard before the R.A.F. began to deal with it. The lower picture shows the R.A.F. bombs bursting on their objective. This is sufficient answer to the Nazi claims that no damage was done to any military objectives.

The European War, August 7.

Germans Renew Offensive

London, Aug. 7.

KEXHOLM, on the north-west shore of Lake Ladoga, was mentioned for the first time in last night's communique from Moscow, and it is assumed that the Germans and Finns are renewing their offensive on the Karelian Isthmus in an attempt to reach Leningrad from the north-west.

In another raid on Moscow last night, the Germans are stated to have lost six machines to the loss of one Russian night fighter. The pilot of this machine rammed a German bomber and escaped by parachute. The Russians say that isolated planes broke through the defences of the capital. Some casualties were caused and there were fires in houses, but they were quickly put out.

Nazis Digging in

Messages from Moscow report that the Germans are digging themselves in on the Smolensk front and this is regarded as concession of failure in their advance on the road to Moscow. The Soviet High Command is confident that the Germans will reach neither Kiev nor Leningrad, let alone Moscow itself.

Commenting on yesterday's German special communiques, the Swiss paper, the "Neue Zuercher Nachrichten," writes:—"If the figures given correspond to facts, it appears doubly miraculous that the Red Army is fighting just the same without signs of exhaustion."

The Berlin correspondent of the "Gazette de Lausanne" states:"It is natural that yesterday's special communiques should raise public moral after these long weeks of silence, but for our part we have not observed any new fact in these military statements which, however, officially confirm the Russian army's importance and powers of resistance which nobody dared to predict."—Reuter.

Nazi Communique

Berlin, Aug. 7.

Despite the desperate courage of the Russians and their extreme sacrifices for almost four weeks, the German Army has triumphed in the battle of Smolensk and obtained a decision which must be of paramount importance for the continuation of German military operations, the High Command announced today in a special communique describing the battle.

Smolensk, the communique revealed, was captured at the point of the bayonet on July 16 despite the extreme tenacity of the Russian defenders.

The Germans continued to hold the gateway to Moscow against continued fierce attacks by the Reds, the communique added.

Break-Through Alleged

With the fall of Smolensk, the Germans extended their break-through to the southeast, east and northeast. In strenuous marches and determined fighting these German forces covered the flanks of the German wedge which was exposed to incessant attacks by the Russians, the communique related.

The Russians were then encircled. The main forces were broken up by German panzer units, but sufficiently strong groups of Bolsheviks remained to offer the Germans battle, the communique continued.

The German air force effectively cooperated in overcoming Russian bunkers, artillery positions and tanks, the communique reported.

Twin Battles

Even before the conclusion of the twin battles of Bialystok and Minsk, advance units of the German Army and S. S. forces drove to the strongly defended Stalin Line running behind the Dnieper and Upper Dvina the communique described.

As a result of terrific thrusts the Germans succeeded in overcoming the powerful fortified bases at Mogilev, Orsha, Vitebsk and Polock and formed bridgeheads on both sides of the latter town, the communique asserted.

On July 11, Vitebsk was captured and the Dnieper sector to the south of Mogilev and Orsha was penerated despite stiff resistance through the German plan of moving in the direction of the river by means of local surprise actions, the communique disclosed.—United Press.

German Claims

Berlin, Aug. 7.

A Government spokesman yesterday claimed that on the basis of Soviet prisoners announced captured in special High Command communiques, the Red Armies must have lost approximately 4,000,000 men, of which 3,000,000 were killed.

The spokesman said that the Nazi victory in the Battle of Smolesk and the ensuing annihilation of pocketed Soviet armies would prove "decisive for the future of Europe and perhaps of the world."

Announcements of the High Command, the spokesman said, meant that the "decisive battle" of the Soviet-German war was now concluded.

Operations Proceeding

"In summarizing, one may state that operations on the eastern front are proceeding victoriously and have entered a new and decisive stage," the spokesman said.

Reports from D.N.B., official German news agency, however, indicated that fighting was proceeding in Russia with customary severity. German "storm artillery" was said to be active against Russians pocketed south of Kiev.

The artillery also was reported to have knocked out a number of Soviet bunkers.

D.N.B. said that in the Ukraine German-Rumanian forces were achieving "new successes."

The High Command, in a series of special communiques, claimed German victories along the entire front.

Battle of Smolensk

Nazi armed forces fought the battle of Smolensk to a victorious conclusion, the High Command said, and now were moving forward in vast new operations with Moscow, Leningrad and Kiev as their goal.

The High Command said that seven weeks fighting had carried the German armies "to the gates of Kiev" and "beyond Smolensk."

Soviet losses were placed at 895,000 prisoners and uncounted dead, 13,000 tanks, 10,388 cannon and 9,082 planes.—United Press.

Stalin Motor Works Still Operating

Moscow, Aug. 7.

Correspondents yesterday inspected the Stalin Motor Works, one of Russia's largest, and found thousands of men working, in contradiction of a Berlin radio claim of utter destruction of the plant.

The plant director said that broken windows were the only damage to the works. Fire fighters extinguished many incendiary bombs, the director said.—United Press.

Huge Crowd Present at Anglo-Soviet Function

London, Aug. 7.

Ten thousand people attended on August 4 a function organized by the British Society of Cultural Relations with U.S.S.R. and devoted to the establishment of Anglo-Soviet co-operation.

Mr. Novikov delivered an address of greeting on behalf of the Soviet Embassy. Replying, Professor Bernard Pearce said:" I believe that it is in the East that Fascism will be dealt the final crushing blow. The co-operation between the Soviet and British peoples will ensure victory in this war." His words were greeted with loud applause. The money collected from the festivities were handed over to the British War fund and the Soviet Red Cross.—Tass.

Belgians Join S.A. Air Force

Pretoria, Aug. 7.

In addressing yesterday the first contingent of pupil pilots from the Belgian Congo who completed their training in South African aviation schools, the Prime Minister, General Smuts, said that they were the first selection of Belgian colonial pilots, but others would follow at regular intervals. They will fight in the same skies as the South African Air Force.

General Smuts said that collaboration after the war between Belgian Congo and South Africa was necessary not only for the well-being of Africa, but for the rest of the world.—Reuter.

Russia, Belgium Resume Relations

London, Aug. 7.

Arrangements have been made for the exchange of representatives between the Governments of Soviet Russia and Belgium following a meeting today of the Belgian Foreign Minister, M. Spaak, and the Russian Ambassador, M. Maisky.

The meeting took place at the Secretary of State's room at the Foreign Office.—Reuter.

British Active at Tobruk

Cairo, Aug. 7.

Although dust-storms are limiting British activities in the Tobruk area, one raid has been carried out by using the dust as a cover, states today's communique.

"One of our fighting patrols attacked an enemy post, inflicting casualties and capturing prisoners and weapons.

"In the frontier area, our artillery and machine-guns also engaged the enemy."—Reuter.

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FOREIGN TELEGRAMS (continued)

Frankfurt, Mannheim Pounded

London, Aug. 7.

THE Royal Air Force last night again took as their main objectives Frankfurt, Mannheim and Karlsruhe for the second raid in two days. A considerable weight of bombs was dropped on each city.

More large fires were started. The weather was even worse than on the previous night. Eight British aircraft are missing from these operations.

The docks at Calais were also bombed, and aircraft of the Fighter Command this morning carried out several offensive sweeps against enemy aerodromes.

One fighter is missing.

Planes of the Coastal Command torpedoed an enemy ship off the Norwegian coast during the night and also bombed an aerodrome in Norway. One machine of the Coastal Command was lost.

In daylight yesterday, Blenheim bombers attacked a small convoy off the coast of Holland. One of the ships was seen to be down by the stern with smoke pouring out of her.

Right up to the last minute of daylight yesterday, British fighters attacked enemy aerodromes. At one airfield, ten or twelve German planes were riddled with machine-gun bullets and shells. Another target hit in the course of the offensive was a coastal radio station and an anti-aircraft battery. Four enemy fighters were shot down and one British fighter was lost.

Enemy air activity over Britain last night was on a small scale. A few casualties were caused in east and south-east England. Two German machines were destroyed.

Hounding of Scharnhorst

"Heavily shrouded with camouflage netting, the German battlecruiser Scharnhorst, Admiral Raeder's chronic invalid ship, is back at Brest after an uncomfortable time at La Pallice, 240 miles further south," writes the "Daily Express" Naval Correspondent.

"The correspondent adds: "Battered by the R.A.F. at both ports, the vessel is still just a liability to the German Navy, as she has been for the last four months. Apparently she is undergoing repairs and has sneaked back to Brest because facilities there are much better than at La Pallice, where the drydock is not long enough to take her.

"Safe" Port

"When she steamed there under cover of darkness 14 days ago, the Nazis calculated that she would be safer there than at Brest, which is only 120 miles from the English coast. Probably they hoped to refit her to resume commerce raiding in the Atlantic.

"But as soon as she tied up at the jetty at La Pallice, the R.A.F. were after her. She was heavily attacked on her first and second days at the "safer" port. Stirling and Halifax bombers made direct hits in brilliant daylight raids.

"That she has been able to go to sea at all after that will surprise laymen, but heavily armoured ships of her type can stand a great deal of serious damage and still keep afloat."—Reuter.

Middle East Operations

Cairo, Aug. 7.

The British R.A.F. Middle East communique issued yesterday states: "Bomber aircraft of the R.A.F. and South African Air Force made a series of attacks on landing grounds and other military objectives in Cyrenaica during Monday night.

"Bombs were seen to fall on the landing ground at Gazala, while at Timji landing ground, a number of explosions were heard after our aircraft had attacked.

"South African pilots, flying Maryland bombers, also operated over Derna and carried out a series of attacks on motor transport workshops and assembly plants.

"The harbour of Benghazi was again attacked and fires were seen to the back and south of the mole.

"One of our aircraft secured three direct hits on a vessel and sank it.

"From these operations all our aircraft returned safely."—Reuter.

Krupps Attacked 20 Times

London, Aug. 7.

Krupps armament works at Essen have been attacked by the R.A.F. on 20 occasions, it was revealed by Sir Archibald Sinclair, Secretary of State for Air, in the House of Commons yesterday.—Reuter.

Brisbane Will See More of U.S. Navy

Brisbane, Aug. 6.

Rear-Admiral Sherwood E. Taffinteer, Commander of the visiting United States squadron, said to the press today: "You likely will see more of the United States Navy while the war lasts."

He said the cruisers probably would not visit any other Australian port because "they merely called at Brisbane for fuel supplies."

Meanwhile, Mr. William M. Hughes, Minister of Navy, declared at Melbourne, "United States cruisers have not escaped the notice of our friends in the north. Although there are only two warships here we are encouraged to believe that there are others about."—Domei.

British Troops in Crete Continue to Harass Nazis

London, Aug. 7.

One thousand British soldiers, who failed to escape from Crete two months ago, are still putting up guerrilla resistance against the German occupying force, according to the "Daily Telegraph's" Alexandria correspondent.

They are living in caves with islanders and are making sorties and ambushes whenever their superior knowledge of the country enables them to surprise Nazi patrols.

Escape from the island, the correspondent continues, is impossible, as all boats are either closely guarded or destroyed.

Crete is largely garrisoned by the youngest German troops recently drafted from the Hitler Youth movement.

Fear of cholera and raids by British troops has caused the Germans to place their troops in cantonments covering strategic points and they are making no effort to police the craggy, mountainous island as a whole.—Reuter.

Still No Hope for Return of Britons

London, Aug. 7.

The policy of British civilians detained in enemy or enemy-occupied countries was touched upon by Mr. Anthony Eden, Foreign Secretary, in the House of Commons yesterday, when questioned on this subject.

The release of such persons, said Mr. Eden, was largely a matter of reciprocity. Since it was contrary to the policy of the British Government to release enemy subjects of military age, no steps had been taken to secure the repatriation of male British subjects who, at the outbreak of the war, were completing their education at Continental universities.

While the British and German Governments were in general agreement as regards repatriation on a reciprocal basis, it had unfortunately so far been found impossible to arrive at any understanding as to the route by which repatriation should take place.

The Germen refusal to grant safe conduct for any ship carrying civilians to or from the United Kingdom had rendered progress impracticable for the time being.—Reuter.

Independence of Syria Discussed in Commons

London, Aug. 7.

Questioned on Syria in the House of Commons yesterday, Mr. Eden, Foreign Secretary, said that the British Government had no knowledge of any declaration by General Catroux that until every part of Syria was in full occupation by Free French forces it would be impossible to conclude with the Syrian Government a treaty providing for that country's independence.

Mr. Eden added, however, it was evident that the first step must be for the whole country to be occupied by Allied forces, and it was hoped that this process would be completed at a very early date.

As regards the future administration of the country, the British Government were in no doubt that the Free French authorities were fully aware of the unsatisfactory conditions prevailing under the previous regime, and had confidence in their ability to reach a satisfactory agreement with the Syrian Government.—Reuter.

R.A.A.F. Reorganized

Melbourne, Aug. 7.

Reorganization of the Royal Australian Air Force to provide for all possible war-time emergencies and creation of new operational commands for all strategical requirements was announced yesterday by Mr. McEwen, Commonwealth Air Minister.—Reuter.

Czech, Polish Armies

London, Aug. 7.

Czech and Polish officers have arrived in Moscow from London to assist in the formation of Czech and Polish armies in Russia.—Reuter.

A Use for Waste Paper

Waste paper is being put to a number of different uses in Britain. This picture shows cordite charges being removed from the papier-maché container in which they were transported to the giant gun in the background. The B.R.A. War Efforts Committee is appealing for waste paper from Shanghai Britons. Though it may not find its way direct to the front line, every bit will help.

Churchill, Roosevelt Meeting?

Washington, Aug. 7.

Speculation whether President Roosevelt and Mr. Winston Churchill and aides were in conference some where off the north Atlantic coast increased in the capital late last night as it was reported that the President's highest military and naval advisers were absent from Washington.

Colonel Frank Knox, Secretary of Navy, Admiral Harold R. Stark, Chief of Naval Operations, General George C. Marshall, Chief of Staff, and Maj.-General Harry H. Arnold, Assistant Chief of Staff, who controls the Air Corps, were mysteriously missing from the capital.

Knox "Discovered"

Col. Knox was the only one who could be located. He was discovered to be in York Harbour, Maine, although he left last Saturday by plane, presumably to spend a week at his home in Manchester, New Hampshire.

It was learned that he had not been in Manchester, but that he arrived in York Harbour only last Tuesday, after which he inspected the Portsmouth navy yard.

Col. Knox was understood to have made arrangements to proceed to Manchester today.

Admiral Stark was said to be away from Washington on leave, but the Navy Department said that it had no knowledge of his whereabouts. The War Department also said that the whereabouts of Generals Marshall and Arnold was "not known." It was learned, however, that they were not here.—United Press.

Speculation Rife

Washington, Aug. 7.

Churchill and Roosevelt were almost the sole topic of conversation again yesterday, but no single gleam of light has been allowed by any official here to illuminate the mystery.

No curtain of secrecy has ever been more tightly drawn over the movements of either Mr. Churchill or Mr. Roosevelt for such extended time.

The man-in-the-street now accepts as a fact that a meeting is taking place—the commonly held theory being that President Roosevelt, who never flies, has been speeded to rendezvous in a warship, which was met by a plane carrying the Prime Minister.

No Risk

Many, however, think that neither Mr. Churchill nor Mr. Roosevelt would risk being caught in a surface vessel, and it seems more likely that the latter went to his summer home in Campobello, which is actually across the border just into Canada, to which place Mr. Churchill could proceed by plane in a matter of hours.

This would also avoid the political implications of the British Premier setting foot on United States soil, as he would still be in the Empire.

There is fervent hope in many quarters here that the two men have met, because it is felt that nothing could be better at this time than complete understanding, established face to face, between these two great world leaders who are combining to wipe Hitlerism off the map.—Reuter.

Mystery Deepens

New York, Aug. 7.

With officials in Washington and London silent, mystery continued yesterday over the alleged Roosevelt-Churchill meeting.

The newest unconfirmed version said that President Roosevelt, on the open sea, was transferred to a fast cruiser which sped him to a rendezvous with Mr. Winston Churchill, British Prime Minister.

It also was rumoured that Mr. Harry Hopkins, coordinator of the United States aid programme, and Mr. William L. Mackenzie King, Canadian Prime Minister, were participating in the conference.

The fact that the alleged meeting was nowhere officially denied was considered by most observers to be confirmation that it either actually had occurred or was impending.—United Press.

Roosevelt Continues Holiday

Washington, Aug. 7.

A message from the yacht Potomac yesterday afternoon said that President Roosevelt is enjoying his cruise off the coast of New England.

The brief communication did not mention the rumoured meeting with Mr. Winston Churchill.—Reuter.

Bruno Mussolini Killed

Rome, Aug. 7.

Captain Bruno Mussolini, second eldest son of Premier Benito Mussolini, was killed this morning in a plane crash, it was officially announced here today.

The 26-year-old veteran of the Spanish, Ethiopian and Greek campaigns died near Pisa at 10 a.m. when a new type of plane he was testing crashed.

An expert aviator, having learned to fly while still in his teens, Capt. Bruno is survived by a wife and daughter.—United Press.

Britain to Recognize Ethiopian Independence

London, Aug. 7.

It was the intention of the British Government to recognise the independence of Ethiopia as soon as the military situation permitted, said Mr. Eden, Foreign Secretary, in the House of Commons yesterday.

Such recognition, Mr. Eden explained, would naturally be followed by the establishment of a diplomatic arrangement.

The evacuation of a large number of Italian civilians was proceeding, but this was governed by communications and transport.—Reuter.

75 Officers Unaccounted For in Syrian Campaign

London, Aug. 6.

Seventy-five British and Indian officers captured during the Syrian campaign, and flown by Vichy pilots to an unknown destination, are still unaccounted for.

All other ranks captured in Syria, including British and Indian troops, were handed over, in accordance with the terms of the Armistice.—Reuter.

Syrians Welcome Indian Troops

Simla, Aug. 7.

The Indian troops who took over Hassetche, capital of Syria's most north-easterly Muhafizat, the island lying between the Euphrates and the Tigris, were most enthusiastically received and greeted with cheering salutations by the inhabitants such as are normally reserved for occasions of greatest rejoicing and festivity, says a correspondent with the Indian forces in Syria.

Since occupation of the town local French and Syrian officials have poured in to pay respects to the commander of the British forces, who has exchanged friendly visits with local notables. When Indian forces arrived, the French Administrator of the area requested the British commander to send a message to General Catroux. Free French representatives in Syria, placing his services entirely at the disposal of the Free French.

Sheiks Greet British Troops

Arab sheiks of the hinterland, several of whom are incorrigible mischiefmongers who have been a constant thorn in the side of the French Authorities, came long distances across the desert to salute British troops.

Indian troops are helping in the disposal of numerous tasks coming before the commander, including provisions and food for women and children left behind by Vichy troops.

Larged quantities of flour, sugar, coffee, tinned goods and other necessary articles are imported from considerable distances and distributed free to deserving cases.

Hassetche also provided welcome relaxation for the sepoys after the rigours of long, rapid advances across the desert. In the cool depths of the river they forget the day's heat and dust.—Reuter.

Immense Recruiting Response

Dehradun, Aug. 7.

"The popular response to the demand for general recruitment is immense, which is undoubtedly the best testimony of the willing help we are getting from every district. In fact, our embarrassment has been to disappoint many," observed the Commissioner of Meerut Divisions, addressing a war conference at which he presided.—Reuter.

Winant Pays Tribute To Merchant Marine

London, Aug. 7.

Tribute to the work of the British merchant navy is paid by the United States Ambassador to Great Britain, Mr. John Gilbert Winant, in a message in which he says: "Your quiet bravery in carrying cargo to your country in the past two years has appealed to those millions of Americans who are your friends. People the world over who have the cause of the democracy at heart can only say 'we thank you'. The history of the future will record this great battle for freedom. Many of its pages will likely be reserved for the British merchant navy."—Reuter.

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The European War, August 8.

Heavy Fighting Continues

London, Aug. 8.

IN the face of stubborn resistance by the Red Army, which has halted the Nazi offensive on the eastern front at most points, Berlin last night was forced to retract some of the recent extravagant claims of successes issued by the Nazi press.

Meanwhile, Moscow states that Soviet forces continued fighting in the directions of Kexholm, Smolensk, Byelaya-Tserkov, and in the Esthonian sector of the front. In other directions and sectors no major operations are said to have taken place.

Once again the Germans have modified their claims of successes. On Wednesday they said that the battle of Smolensk had been brought to a victorious conclusion, but last night their broadcast reports from the front only said that the battle had reached its climax and was bearing fruit.

Claim Modified

Again on Wednesday the German High Command repeated its claim to have reached the gates of Kiev, but a German military commentator declared last night that so far only Nazi airmen had seen Kiev. He added that a Panzer division did get within 12 miles of the town, but that support of infantry was needed for the capture of this strongly defended modern fortress.

It was thought in London today that the German thrust towards Odessa on the Black Sea, and their drive along the south bank of the River Dnieper, was becoming fairly serious. The railway line between Kiev and Odessa is already reported to have been cut. Further German progress might isolate Russian forces at Odessa.

Nazi Air Losses

Thirtynine German aircraft were destroyed yesterday, according to Moscow, for the loss of 19 Russian machines. It was also reported that 9 German bombers, not 6, were destroyed in Wednesday night's raid on Moscow.

The city had no raid last night.

Moscow has not replied to the German special announcement on Russian losses since the invasion began. But, unlike the Germans, the Russians give the casualties on both sides. The approximate estimates follow:—Killed, wounded and prisoners. Germans 1,500,000. Russians 600,000; tanks destroyed or captured. Germans over 6,000. Russians 5,000; guns, Germans over 8,000. Russians 7,000; aircraft, Germans 6,000. Russians 4,000.

M. Lozovsky, Deputy Chief of the Information Bureau, has suggested that the German figure of 895,000 Russian prisoners was reached by including civilians who had been conscripted behind the lines.

Russian Communique

A Russian communique issued at noon today states:—"During the night of August 7 our troops continued fighting in the directions of Kexholm, Smolensk, Belaya-Tserkov and in the Esthonian sector of the front.

"In other directions and sectors of the front no major operations took place. Our air force, in cooperation with land forces, continued to strike blows at enemy mechanized units, at infantry on the battlefields and at enemy aircraft on their aerodromes."

In a late communique the Germans claim to have destroyed a Soviet force in the Ukraine and taken 30,000 prisoners, including the Chief Commander of the Sixth Soviet Army.—Reuter.

Two Islands Captured

Moscow, Aug. 8.

A despatch from the Baltic Fleet yesterday reported the Soviet capture of two islands near the Hangoe base which is still Russian despite repeated Finnish-German assaults.

The Russians landed marines from patrol boats and attacked the island from three sides, overpowered a ring of defenders and took a number of prisoners, said the despatch. The same party also occupied the neighbouring island, the despatch said.—United Press.

Extension of Army Service

Washington, Aug. 8.

The Senate yesterday passed legislation empowering the Army to extend services of selectees, National Guardsmen and reservists for terms of 18 months or for a total service of two and one half years.

The bill also authorizes retention of enlisted men 18 months beyond the regular three year term. The measure now goes to the house of Representatives for approval.

The legislation also eliminates the 900,000 limit on the number of selectees in service at one time and permits the Secretary of War to discharge selectees over 28 years old, or over.

Prior to the vote on the amendment, the Senate heard Senator Hiram W. Johnson, Republican of California, attack M. Joseph Stalin as a "cut throat who cannot be trusted an inch."

Senator Johnson excoriated the aid to Russia programme as "foolhardy" and renewed a suggestion that "Hitler and Stalin be locked in an elevated cage and made to fight it out."—United Press.

Alleged German Peace Terms

Ankara, Aug. 8.

Terms of Nazi Germany's next peace offer, to be made after occupation of Soviet Russia as far as the Urals, and alleged to have been received direct from Berlin, were being circulated here yesterday by two separate diplomatic sources.

It was claimed that Germany will deliberately cease hostilities on all fronts for a stated length of time after attaining objectives in Russia, counting on United States public opinion to force Great Britain to halt the slaughter and accept the following seven peace terms:—

Alleged Terms

1. Occupation of Soviet Russia, as far as the Urals, for a period of 25 years together with establishment of a semi-autonomous Ukraine under Dr. Alfred Rosenberg, the Nazi's leading ideologist, who previously according to reports, had been named Reich Administrator for conquered territories of the Soviet Union.

2. Establishment of a semi-autonomous Poland, to be an ally of Germany, and consisting of an extension of the present German-occupied Poland in order to include parts of Poland seized by Russia in 1939.

"Rights" in Europe

3. Anglo-American acceptance of Germany's rights and freedom of action in Eastern Europe, under which the Czechs would be accorded restricted autonomy but not reunion with the Slovaks while Rumania, Hungary and Bulgaria would be under German protection.

4. Partial restoration of Yugoslavia and Greece according to nationalities of the inhabitants, and granting of restricted autonomy to these states.

5. Germany will evacuate Norway, Denmark, Holland, Belgium and France while retaining only Alsace-Lorraine.

6. Italy will surrender Abyssinia and Tunis but will retain Libya.

7. Territories within the British sphere and the British Empire will in no way be altered.—United Press.

British Losses in Greece And Crete

London, Aug. 8.

British losses in Greece and Crete were detailed by Capt. H.D.R. Margesson, Secretary of State for War, in the House of Commons yesterday, when he gave a table providing the latest information in his possession.

It was not possible, said Capt. Margesson, to say how many of the missing were prisoners.

In Greece

In Greece, the total British force at the start of the German attack numbered 57,757. Of these, 44,865 were evacuated.

The force in Greece at the start of the German attack comprised 24,100 British, of whom 16,442 were evacuated; 17,125 Australians, of whom 14,157 were evacuated; and 16,532 New Zealanders, of whom 14,266 were evacuated.

In Crete

In Crete, the total force at the start of the German attack numbered 27,550, and 14,580 were evacuated. Of 14,000 British, 7,130 were evacuated; of 6,450 Australians, 2,890 were evacuated; of 7,100 New Zealanders, 4,560 were evacuated.

The figures giving strengths in Crete at the start of the German attack included men evacuated from Greece and not re-evacuated to Egypt before operations in Crete.—Reuter.

Total Nazi Man-Power Said to Be 7,000,000

London, Aug. 8.

Germany's total available manpower for military purposes is estimated at 7,000,000, in an analysis of German reserves, published yesterday by "Izvestia, says the Moscow radio.

This includes all men up to the age of 50.

Available men between the ages of 18 and 40 are estimated at 4,000,000.

"This explains," the report adds, "why Hitler attempted to achieve victory by lightning war, and why in the attempt, he sent his best soldiers to their deaths in the first few weeks of the Russian campaign. Now their quality is gradually deteriorating."—Reuter.

Churchill-Roosevelt Meeting

Washington, Aug. 8.

The lack of official denials and the continued absence of President Roosevelt's closest military and naval advisers from the capital as well as the Navy announcement which did not specifically state that the President was aboard the Potomac tended today to substantiate the reports that the Chief Executive had met Mr. Winston Churchill.

Their meeting was believed to have taken place during the early part of this week.

On Tuesday the United States Navy reported that the President had conferred with Admiral Ernest King, commander of the Atlantic Fleet.

It was speculated here that he might have conferred with the Admiral King aboard a warship which could have sped to keep a rendezvous with Mr. Churchill and Mr. Harry Hopkins, coordinator of the aid Britain programme, or they could all have met aboard an American warship.—United Press.

In Close Touch

Washington, Aug. 8.

An official dispatch from the presidential yacht Potomac states that President Roosevelt is keeping in close touch with international affairs by naval radio. Weather is excellent and fishing good. No mention is made of rumours of a possible meeting between the President and Mr. Winston Churchill.

As far as Washington is concerned the rumoured Roosevelt-Churchill meeting has practically ceased to be a mystery. It is now widely taken for granted that they must be together. It is argued that Mr. Churchill could be absent in only two places—either in Moscow or with President Roosevelt and it is thought that his arrival in Moscow could hardly be covered by such an impenetrable blanket of secrecy. Hence the conviction that he must be with President Roosevelt.

Interest therefore centres not on whether they are meeting but why. Some of the best political observers are of the opinion that the meeting protends momentous events and steps. One conjecture is that Mr. Harry Hopkins brought back word from Moscow of the urgency of full support for Russia to ensure that she could hold Germany.

Importance of Meeting

If they are actually meeting its importance seems shown by the fact that no diplomatic exchanges or arrangements preceded it. There is strong reason to believe that the State Department knew nothing of the meeting or arrangements, therefore it is felt that details are known only to three men—the President, Mr. Churchill and Mr. Hopkins.

It is thought here that if it is true that the American Chiefs of Staff and Col. Frank Knox, Navy Secretary, are with President Roosevelt, Mr. Churchill is probably not there, because of the obvious political repercussions on Congress to the British Prime Minister talking to the heads of American fighting services.

However there is fairly convincing evidence that General George Marshall and General Arnold are both fishing in Chesapeake Bay nowhere near President Roosevelt's resort at Campo Bello, and there is no real evidence that Admiral Stark and Col. Knox have gone there either.—Reuter.

Indian Troops Active

Simla, Aug. 8.

Indian troops have been active in the Western Desert at a spot where the Fourth Indian Division covered itself with glory last winter, says an Indian Army observer in the Middle East in a despatch received yesterday.—Reuter.

Vichy's Action to Determine U.S. Attitude

Washington, Aug. 8.

Mr. Cordell Hull, Secretary of State, yesterday indicated that the United States attitude toward Vichy will be determined in the future by French action rather than by the note assuring that she will defend her territories.

Mr. Hull said that he desired to await developments for a slightly longer time before commenting on the Vichy note. He explained that it was important to see the general trend of conditions before discussing the note fully and finally in view of the rapidly transpiring events.

The Vichy note assured the United States that France would not give up other parts of her territories for use as bases for the Axis as she did in southern Indo-China for Japan.—United Press.

White Star Liner Damaged

London, Aug. 8.

The Cunard White Star steamer Georgic, 27,759 tons, has sustained damage by enemy action. All members of the crew are reported safe, except the chief barkeeper.—Reuter.

Ruhr Industrial Area Bombed

London, Aug. 8.

BRITISH bombers last night attacked targets in the Ruhr area and western Germany. Enemy activity over this country during the night was on a small scale and confined to areas in the east of England and of Scotland, says an Air Ministry communique. Bombs were dropped at a few points. In a town in north-east Scotland, a small number of people were injured, and in a town in East Anglia some damage was done, but elsewhere, there was little damage and the number of casualties is very small.

The targets attacked by the R.A.F. in their attack on western Germany last night included Essen, Hamm and Dortmund, it is learned here.

Sicily Raided

Cairo, Aug. 8.

British night raids on Italian submarine bases in Sicily and on North African ports in Italo-German hands were reported in yesterday's R.A.F. communique.

It stated: "Bomber aircraft of the R.A.F. and the South African Air Force carried out a number of attacks on enemy-occupied ports and landing grounds during the night of August 5.

"At Benghazi, heavy bombers obtained hits on the Italian moles.

"At Derna, fires were started on the landing ground, and bombs were dropped on motor transport concentrations and cold storage buildings.

"Raids were also carried out on Gambut, Rommu, Gazala, where a number of bombs fell on the landing ground, At Misurata, barracks were hit and badly damaged.

"A number of enemy aircraft dropped bombs on Malta during the same night. Our fighters intercepted, and one of them destroyed three enemy aircraft, two of which fell in flames. One of the destroyed aircraft was identified as a BR 20 bomber."

Augusta Bombed

"Aircraft of the Fleet Air Arm attacked an enemy submarine base at Augusta in Sicily during the night of August 5. Many direct hits were made from a low altitude by heavy bombs, and caused a very large oil fire on a submarine jetty. The fire was still burning an hour later when other aircraft of the Fleet Air Arm arrived.

"One of our aircraft is missing from these operations."—Reuter.

Nazi Aerodromes Bombed

London, Aug. 8.

Two daylight attacks by Blenheims of the Bomber Command on Nazi aerodromes near St. Omer and on shipping and other targets at Gravelines on Thursday cost ten escorting fighters, but at least four German fighters were destroyed, and all bombers returned safely, according to an official communique.

The text reads: "Blenheim aircraft of the Bomber Command escorted by fighters, carried out two offensive operations over Northern France on Thursday.

"Bombs were dropped on a German aerodrome, on enemy shipping and on other targets at Gravelines.

"None of our bombers is missing.

"In the course of these operations, at least four enemy fighters were destroyed. Ten of our fighters are missing.

"A fifth enemy fighter was destroyed by our fighters in offensive operations during daylight on Wednesday."—Reuter.

Another Raid on Malta

Malta, Aug. 8.

In the early hours yesterday morning, enemy raiders approached Malta and one raider was seen to burst into flames and crash into the sea. No bombs were dropped on land, according to an official communique.—Reuter.

U.S. Transfers Tankers To Russia

Washington, Aug. 8.

Mr. Harold Ickes, Defence Petroleum Administrator, and Secretary of the Interior, announced that four American tankers are being transferred to Russia to transport aviation petrol.

At the same time, he told reporters that there was shortage of aviation spirit in the United States, which might possibly have severe effects on military and commercial flying, unless the capacity was increased immediately.

He added that the sending of petrol to Russia might contribute to the general petroleum shortage in West Coast areas, and declared that a compulsory plan to conserve petrol on the East Coast must not be far ahead.

Mr. Ickes concluded by saying that despite the efforts to influence motorists to cut down consumption, the amount used on the Atlantic seaboard had actually increased in the last fortnight.

The problem of increasing American capacity for producing aviation, petrol, which requires special machinery, will be taken up by Mr. Ickes on August 11 at a meeting here of chairmen of regional oil industry committees.

Mr. Ickes added that the situation regarding aviation spirit was causing good deal of concern."—Reuter.

Fruitful Co-operation

Moscow, Aug. 8.

"Pravda" yesterday said that the groundwork was laid for fruitful co-operation between the United States and Russia for mutual national defence and destruction of the enemy which threatens the "security and liberty of all nations."

Germany will spare no effort to subjugate America, said "Pravda." The newspaper cited evidences of the Nazi intention to invade the United States, as well as alleged German efforts to obtain from France "bases for preparations to attack America."

"The Hitlerite menace dooms the whole world," said "Pravda."—United Press.

British Activity Western Desert

London, Aug. 8.

The initiative in the Western Desert has now passed into British hands completely, it is stated in authoritative quarters. The Axis Powers, instead of threatening to attack Egypt, are talking nervously of the possibility of a British attack on Libya, Sicily and the Greek islands.

It is stated that the recent British offensive on the Sollum front took such a toll of German armoured vehicles as to rule out an offensive by the Nazis on that front in the near future even if it were possible, while Tobruk is still holding out.

The British invasion of Syria finally wrecked Hitler's whole Middle East plans. Resistance in East Africa is now limited to Gondar and another pocket. It is estimated that there are 3,000 white Italian troops and 6,000 natives in the Gondar area. These are causing the British to keep some troops in East Africa for mopping-up but the enemy is surrounded and unable to get supplies and will eventually fall into their hands.

Extravagant Claims

The extravagant claims made in an Italian communique regarding an attack by British troops on positions in the salient at Tobruk are refuted by authoritative quarters. It is stated that enemy casualties were heavy although a correct estimate is impossible. British casualties were 28 killed, 104 wounded, eight missing.

Heavy fighting took place round the post on the enemy's left flank where 28 of the enemy were killed. British troops after fierce fighting entered the post on the enemy's right flank. The enemy then put down a very heavy mortar and machine-gun barrage, causing many casualties among to their own troops as well as the British.

After dark, information was received that the post on the enemy's left flank had been captured and was held by two officers and 17 men including eight badly wounded. They had eight German prisoners. Strong infantry parties were sent out to relieve the post but were delayed by heavy fire and meanwhile the enemy counter-attacked and overpowered the garrison.—Reuter.

Excellent Health of Troops

Cairo, Aug. 8.

The great improvement in the health of British troops in the Middle East, in this war as compared with the last, was emphasized yesterday by the senior officer of the Middle East Medical Service.

He said that by the employment of the very latest knowledge and equipment the incidence of the most dangerous illnesses such as dysentry, malaria and typhoid had been greatly lessened, and the fitness of each individual soldier has improved.

To illustrate this progress he pointed out that in the South African war the incidence of enteric diseases was 288 cases per thousand yearly, in the great war in Egypt 1,89, and in this war in the whole of the Middle East, 07. Incidence of other diseases is similarly lower and up to the present there have been no cases of typhus or of influenza.

The officer added that all Empire troops show a remarkable adaptability to the climate. British troops coming from a cold climate to the great heat of the Western Desert seemed to suffer no ill effects and certainly needed no training in warmed glass-houses such as the Germans sent to Libya are alleged to have undergone—Reuter.

Total Air Losses

London, Aug. 8.

Sir Archibald Sinclair, Secretary of State for Air, gave an analysis showing the total number of British, German and Italian aircraft lost or destroyed on all fronts, excluding the Russian, during the months of May, June and July, when questioned in the House of Commons yesterday.

Sinclair explained that the analysis was compiled from official communique.

In May 149 British planes were lost, 335 German, and three Italian. June figures were: 227 British, 277 German and 52 Italian. In July: 284 British, 326 German and 65 Italian.—Reuter.

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FOREIGN TELEGRAMS (continued)

The European War, August 9.

No Confirmation of Nazi Claims

London, Aug. 9.

AUTHORITATIVE quarters in London treat with a good deal of reserve "high-sounding" claims made by the Germans in connection with operations on the southern front in Russia. There is no confirmation of these claims in London. There seems to be no doubt, however, that the Germans continue to make progress in that part of the front, and it is thought that in their advance on Odessa, vital Black Sea port, they are now probably within 70 miles of Nikolaiev (about 75 miles north-east of Odessa).

The Russians claim successful actions by their air force against enemy aerodromes and troops and again mention fighting at Korosten, about 90 miles north-west of Kiev, but they have not said anything yet about the drive the Germans have claimed in the Uman region, 120 miles to the south of Kiev.

The latest communique issued by the Soviet Information Board today states: "During the night of August 8, our troops continued fighting in the directions of Kexholm (on the north-west shore of Lake Ladoga), Smolensk (in the centre), Korosten (about 90 miles northwest of Kiev), Belaya Tserkov (45 miles southwest of Kiev) and in the Estonian sector of the front. Patrol activity and local fighting took place in other directions and sectors of the front.

"Our air force, in cooperation with land forces, continued to strike blows at enemy mechanized units, infantry and artillery."

Guerillas Worry Nazis

Details of activities of Russian guerillas behind the German lines were given by M. Eydinov, Secretary of the Central Committee of the Communist Party in White Russia, in an interview with "Pravda," official organ of the Communist Party.

"Guerilla warfare in the enemy's rear," he said, "has spread literally everywhere. At present, several hundred guerilla detachments are operating in the enemy's rear. As a result of their activities, several German divisional and regimental headquarters have been destroyed.

"Guerillas destroyed 18 tanks and armoured cars in an engagement with a German mechanized unit. In addition, this detachment attacked the headquarters of an enemy division, capturing 35 motor-cars and a large number of motor-cycles and bicycles.

Nazi H. Q. Destroyed

"Another detachment discovered the headquarters of a German regiment and reported it to the military authorities. The headquarters was destroyed by well-aimed fire.

"Guerilla units have derailed several dozen trains laden with military equipment and ammunition.

"Until recently, German commanders left only small garrisons in occupied towns. We know that in five cases guerilla units captured such towns, holding them for some time. After that, the Germans were compelled to strengthen their garrisons and divert large numbers of soldiers for this purpose," M. Eydinov concluded.

Bombers *v.* Tanks

A thrilling fight between Soviet bombers and a German tank unit and rescue of a bomber crew is related by the Soviet Information Board, which says that Soviet bombers attacked a large tank unit. An aircraft piloted by Battalion Commissar Nezhdanov scored direct hits of five German tanks. During the next attack, Nezhdanov's plane came under heavy anti-aircraft fire and was badly damaged. Unable to reach Soviet territory, Nezhdanov was compelled to land in the German lines. The crew set fire to their plane and, taking their arms, were prepared to exact a heavy price for their lives. Other pilots of the units, however, would not abandon their Commissar. Firing incessantly on the enemy, the Soviet planes prevented them from approaching Nezhdanov's crew. Then, choosing an opportune moment, Lieutenant Struyev boldly landed and took aboard Nezhdanov and his crew.

Island Captured

A message from Moscow states that an island was captured by Russian marines, presumably in the Black Sea. The report says this island was garrisoned by Rumanian troops, who either fled or surrendered. They were wearing German army tunics as they had been told by the Germans that the Russians would run away at the sight of German uniforms, the message adds.

Germans Make Big Claims

"The German High Command reports from headquarters that, as already announced by special communique, German troops in the Ukraine, jointly with the brave co-operation of Hungarian units, have achieved a great success," claims today's German High Command communique.

"In the battle of Uman, the 6th and 12th Alpine and tank divisions have been annihilated. More than 103,000 prisoners, including the Commander-in-Chief of the 6th and 12 Army fell into our hands. 317 tanks, 858 guns, 242 anti-tank and anti-aircraft guns, 5,250 lorries, 12 railway trains and vast quantities of war material were seized. The bloody losses of the enemy amount to more than 200,000 men.

"Immediately to the south of the Pripet Marshes, German troops, after fighting several days in impassable forest and marsh land, took the important railway junction of Korosten.

"Soviet forces surrounded in the area of Roslavl, 100 kilometres south-east of Smolensk, have also been annihilated, as reported already by special communique. More than 38,000 prisoners were taken and 250 tanks, 359 guns and other war material were seized as booty.—Reuter.

Famous Building Hit

Moscow, Aug. 9.

Officials yesterday revealed that German raiders on a recent night bombed the Liberty Academy of Sciences, one of Moscow's famous landmarks.

A shower of incendiary bombs hit and set fire to the building housing a priceless collection of 3,000,000 volumes, it was announced.

Sixteen employees, including the librarian, aged 61, nine women and two boys put out the blaze and not a single book was burned, said the announcement.—United Press.

Nazis Bomb Ochakov

Berlin, Aug. 9.

The news agency D. N. B. yesterday said that German bombers on Thursday raided the Black Sea port of Ochakov.

Bombs hits were scored on several merchantmen, including transports of various sizes, said D. N. B.—United Press.

Amazing Escape of British Officer

Gibraltar, Aug. 9.

After walking 1,000 miles—all by night—a British army captain, taken prisoner by the Germans following the fall of France, has arrived here after fourteen months.

Captured in June 1940, the officer escaped by diving into a hay-stack with six others and then making towards the English Channel with two other British officers.

They found a 10-foot canoe, in which they set off for England, but the canoe sank and they had to swim back.

Victims of Invasion Attempt

Near Boulogne the captain saw some Germans with their hands tied behind their heads undergoing punishment drill for refusing to embark in invasion boats. Subsequently he saw bodies being loaded into lorries, and was told by the French that these were the victims of an attempt to invade Britain and that two ships packed with troops had been sunk.

The captain then parted from his companions and made for the south.

On one occasion while shaving in an unoccupied house he was confronted by five Germans, but pretended that he was the French owner and ordered them out. They went without seeing his battle-dress spread out in a back room.

Continuing southwards he slept during the day and walked by night while the French in occupied territory shared their rations with him.

Feigned Insanity

Once while hiding in a hay-shed a German was about to stick a pitch-fork into the hay covering the officer—but suddenly changed his mind.

On the demarcation line between occupied and unoccupied France the officer was arrested but escaped from the prison room by removing a window. At another place he was also arrested but pretended to be intane and was kept in an asylum for two months.

He was later transferred to a concentration camp, from where he escaped again and finally arrived at a point where he was able to join a ship which brought him here.—Reuter.

Dutch Submarine Sinks Supply Ship

London, Aug. 9.

The Netherlands Admiralty announces that a Dutch submarine operating with the British Navy sank an enemy supply ship sailing in convoy in the Mediterranean and severely damaged an enemy auxiliary vessel.—Reuter.

More Troops from U.S. Land in Iceland

Reykjavik, Iceland, Aug. 8.

An American convoy arrived recently here and brought further reinforcements of United States forces, it was officially announced today.—United Press.

Captured Nazi Tank is Trophy of War

The undamaged Nazi tank shown in the above British official photo becomes a British war trophy after its capture. Three British soldiers are shown inspecting the machine whose guns hold the focus of attention.

Soviets Second Raid on Berlin

London, Aug. 9.

LONG-RANGE bombers of the Red Air Fleet have joined the Royal Air Force in scattering destruction on the Reich with high explosive and incendiary bombs and have already twice bombed Berlin and its vicinity, it was learned today.

Moscow announced that Russian bombers attacked the Berlin area on Thursday night and again were reported to have bombed the Berlin area on Friday night.

The Royal Air Force last night only bombed north-west Germany, while the "Exchange Telegraph" this morning reported from Moscow that Soviet planes "again bombed military objectives in the vicinity of Berlin."

The High Command in Berlin admitted that a few planes attempted to bomb Berlin, but alleged that these were turned back by heavy anti-aircraft fire.

The first Russian raid on Berlin on Thursday night came as a distinct surprise, especially since the Russians did not make any announcement in early communiques issued on Friday regarding the long distance flight.—United Press.

First Raid

Moscow, Aug. 9.

Russia's Red Air Fleet bombed Berlin on Thursday night for the first time as Russo-German land battles yesterday raged with undiminished ferocity. The official news agency Tass published a communique which *briefly described the raid on Berlin.*

"On August 7 a group of our planes carried out a reconnaissance flight over Germany and dropped a certain number of high explosive and incendiary bombs on military objectives in the Berlin area," said the communique. "The bombing caused a fire and a heavy explosion was observed. All our planes returned to their aerodrome."

Stockholm reports said that three Soviet squadrons of heavy TB four-engined bombers, which took off from the Oesel and Dagoe Islands off the Estonian coast, pierced German air defences from the north and staged the lightning raid on Berlin.

Flew Over North Pole

Soviet bombers of the same type flew over the North Pole from Moscow to California some time ago. The planes completed the 1,200 mile raid without interception and without a loss, said the reports.

The bombers pounded Berlin suburban factories, and power plants with high explosive and incendiary bombs, said the reports.

Flying in from the north, said the reports, the Soviets surprised Berlin's ground defences, which failed to open fire. Nazi night fighters took off too late to intercept the raiders when they were homeward bound, it was said.—United Press.

Berliners Surprised

Stockholm, Aug. 9.

The first Russian raid on Berlin on Thursday night had the element of surprise, for, according to Berlin correspondents of Swedish newspapers, the sound of exploding bombs was the first warning that enemy aircraft were overhead.—Reuter.

Ordinary Summer Time in Britain

London, Aug. 9.

British clocks will be put back one hour at 1 a.m. G.M.T. tomorrow. Britain thus reverts to ordinary summer time instead of the double summer time which has been in operation since May 4.—Reuter.

Italian Patrol Captured At Tobruk

Cairo, Aug. 9.

"In Libya, a small Italian patrol which attempted to approach our lines at Tobruk was captured," states today's communique from British General Headquarters in the Middle East.

"Our patrols were active in the frontier area."—Reuter.

German Industrial Towns Pounded

London, Aug. 9.

Rough weather over the North Sea was again no defence to German cities last night as aircraft of the Bomber Command attacked in force, according to the Air Ministry news service.

Storm clouds broke up over western Germany and armaments works at Essen were seen clearly in the moonlight. Crews reported big fires and into the flames were dropped an exceptional number of the most powerful high-explosive bombs. Returning crews saw from far away a glow in the eastern sky, which meant that the destruction of German war industries was still going on long after the bombers had left.

At Hamm, the eastern outlet of the Ruhr, railway yards were hit and there were huge fires among industrial buildings in the town.

At Dortmund, an important railway yard was hit again and again, and elsewhere there was much damage to industrial buildings. In all it was a successful attack on the city, famous for its foundries, collieries and machine works.

During the night's work some of the British bombers found German shipping to attack. In brilliant moonlight one bomber got in two direct hits from about 1,000 feet on a fairly large merchant ship. The ship blazed furiously. Another ship was hit and seen to be listing.

Few Nazi Planes Over Britain

Few enemy aircraft flew over the eastern coastal areas of Britain yesterday, say the Air Ministry and Ministry of Home Security.

One was shot down by R.A.F. fighters. No bombs had been dropped up to a late hour last night.

In offensive operations over the English Channel on Thursday, the R.A.F. destroyed seven enemy planes, not four as previously announced.—Reuter.

Successful Attack on Convoy

Cairo, Aug. 9.

Attacking a convoy in the Mediterranean, British aircraft sank two merchant vessels, probably a third and badly damaged a fourth, according to an R.A.F. Middle East communique. One of the escorting destroyers is also thought to have been damaged.

The communique states: "During Wednesday night aircraft of the Fleet Air Arm successfully attacked an enemy convoy of six merchant vessels escorted by an equal number of destroyers off the island of Lampedusa. Several torpedoes were released and a number of them found their targets. One merchant vessel of 8,000 tons and another of 6,000 tons were sunk. Damage was confirmed early next morning by a formation of R.A.F. Blenheims which again attacked the convoy, now consisting of four merchant vessels.

"Eastwards of Kerkenna an 8,000-ton merchant vessel was hit with two heavy bombs, severely damaged and probably sunk. Another merchant vessel of 6,000 tons was hit and badly damaged. During the attack by the Blenheims one of the escorting destroyers did not open fire and it is thought to have been damaged.

"Three enemy aircraft approached Malta during Wednesday night. The first to cross the coast was shot down in flames into the sea and the others turned back without dropping bombs on land.

"During the same night aircraft of the Fleet Air Arm bombed and machine-gunned a number of enemy aircraft on the ground at Gerbini. The aerodrome at Comiso was attacked during the previous day and bombs were seen to burst near hangers.

"Our bombers yesterday attacked the harbour of Tripoli and bombs were seen bursting on the Spanish quay. During the previous night the South African Air Force using Marylands carried out attacks at Bardia where bombs were dropped on barracks. From all these operations our aircraft returned safely."—Reuter.

Malta Raided Again

Malta, Aug. 9.

On Thursday night raiders operated singly over Malta, dropping bombs in isolated areas which caused neither casualties nor damage, an official communique stated.

An enemy reconnaissance plane, the communique added, crossed the island at a great height, but withdrew too rapidly to be engaged.

The Malta Council of government has passed a resolution thanking the captains and crews of a recently arrived convoy for having again asserted Britain's claim to mastery of the seas.—Reuter.

Successful Raid on Kiel

London, Aug. 9.

Continuing their relentless offensive against military and industrial objectives in Germany, aircraft of the R.A.F. Bomber Command again attacked targets in North-West Germany last night.

A very successful attack was carried out on the naval base of Kiel, which was the main target of the raids.

An Air Ministry communique issued this morning states:

"In brilliant moonlight, a heavy and successful attack was made on the naval base of Kiel last night by aircraft of the Bomber Command. After sustained and accurate bombing of docks and shipyards, enormous fires were left burning.

"In less favourable weather, targets in Hamburg and elsewhere were attacked.

"Four of our aircraft are missing."—Reuter.

British Arrest 35 Vichy Officers

London, Aug. 9.

Internment of Gen. Dentz, former Commissioner of Syria, and a number of other Vichy officers, as reported from Beirut, recalls a recent announcement that 75 British and Indian officers captured during the Syrian campaign were still unaccounted for. They have been flown by Vichy pilots to an unknown destination.

Announcing the detention of Gen. Dentz and other Vichy officers a British headquarters communique issued in Beirut stated: "About 35 senior Vichy officers in Syria and Lebanon including Gen. Dentz were placed under detention by the British military authorities yesterday afternoon. They will be held in custody in Palestine pending fulfilment of clause seven of the armistice convention under which Vichy authorities were pledged to return all officers of the Allied forces captured in the recent campaign.

Deception Practised

"The need for this action arose from the deception practised by Vichy authorities as to the whereabouts of a number of Allied officers, some of whom have been found in Axis-occupied territories."

It is learned from official military circles in Beirut that the process of repatriation of Vichy troops who have chosen to leave Syria is nevertheless proceeding according to the terms of the convention.

It is understood that the 35 Vichy officers will be released as soon as all the Allied officers who were removed from Syria have been found. It is believed that certain of the British officer prisoners were being removed from Syria at the very moment the agreement was being initialled. Several French ship have arrived in Beirut to continue the repatriation of Vichy troops and civilians.—Reuter.

Suez Canal Being Kept Open

New York, Aug. 9.

A group of American oilmen returning from the Suez Canal area via Durban and Cape Town, declared that the Suez Canal is being kept open as a supply line for American munitions, planes and food for Britain's armies in Egypt despite constant bombing by Axis planes.

Telling a graphic story of Axis bombings, the laying of mines in the Canal, and also British efforts to remove the blasted wreckage of ships blocking the Canal, these oilmen declared that gigantic cranes operated along the Canal remove the wreckage. They added that some cranes are capable of clearing wreckage in two days after dynamite has completed the destruction wrought by dive bombers and mines.

Blocked on Several Occasions

They added that the Canal had been blocked on numerous occasions by wrecked ships causing serious delays. For instance, they pointed out, a Greek freighter was sunk in the Canal, and before it had been removed two days later, more than 200 ships were blocked off the Red Sea or Suez entrances of the Canal.

However, when the wreck was cleared, those ships filed swiftly through for Port Said and Alexandria with cargoes of tanks, planes, food, ammunition, rubber and tin.

The group boarded a British transport at Suez with Italian prisoners, and reached Durban after a 30-day convoyed trip. From Durban they reached Cape Town by rail where they boarded the American South African liner City of New York.—Domei.

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The European War, August 10.

Nazis Said Making No Gains

London, Aug. 10.

AFTER seven weeks of the Russian campaign, the Germans still find themselves fighting in familiar sectors.

The war on the eastern front began its eighth week this morning, with fierce fighting in sectors which have seen heavy battles for several days past. These are in the sector around Smolensk and to the north-west and south of Kiev.

In their Mid-day communique the Russians claim nothing to confirm yesterday's stories from Berlin about new German successes south-east of Smolensk and in the Ukraine.

Threat to Odessa

But the threat to Odessa remains, and Rome radio has given a plausible version of German strategy on this part of the front. It claims that a German attack north-east of Kiev prevents Marshal Budenny from counter-attacking with his full strength, and with reinforcements drawn from his defences on the Dniester, farther south. This enables the German, Hungarian and Rumanian units along the Dniester to break through and threaten the Russian left wing.

The Italian story is linked with accounts of Russian difficulties in the Ouman area.

The Russian air force and navy are still very active. According to last night's communique from Moscow, 95 German aircraft were destroyed on Thursday and Friday, with a loss of 12 Russian planes. In the Baltic, Russian warships attacked an enemy torpedo boat and shelled transports.

Eighth Week of War

Axis countries have heralded the eighth week of the war with Russia in various ways. The Paris radio says that the Russians have so far lost several million men: this story which would make continued Russian resistance inexplicable. In Berlin, the radio commentator of the German communiques declared last night that the powerful Soviet army is breaking up, and England has thus lost her last ally on the continent. The Italians are less confident, and admit the possibility of indefinite resistance by the Russians because of the vastness of their territory and the increased resistance from their allies.

War-weariness in the Rumanian army is mentioned in reports from Ankara. These say that nearly a third of the front line troops are casualties and that the Russians have been particularly effective in the Bessarabian sector.

According to the "New York Times," the Intelligence Service in Washington has reports that the German *moral* is suffering too. There is increasing evidence, the newspaper says, that the German people not only want victories, but also desire to see the light of peace. Germany's great fear of being raided on two fronts is now a reality.

Regiment Routed

The story of how a crack German regiment was routed by a Red Army unit, and how prisoners appealed to their comrades to surrender is told in a supplement to the Soviet communique.

The regiment was 3,017 of the 63rd division, which the Fascists advertised as one of the finest German Army formations.

As proved by captured documents and the evidence of prisoners of this regiment, it was shipped to Finland from Narvik, says the supplement. Two days before its debacle, the Fascist regiment repeatedly attempted to attack a sector of the front held by the Soviet under Commander Birman. Before the decisive attack, the Germans heavily shelled Russian positions for four hours. The first Fascist wave of attackers was repulsed by artillery and machinegun fire, which annihilated many German soldiers.

Failing in their frontal attack, the command of the German regiment sent one battalion and two companies of Finnish White Guards to outflank the Red troops, but here again, the Germans suffered defeat. When the enemy was worn out by abortive attacks, the Soviet command launched several counter-attacks simultaneously from different directions.

The Fascist regiment was surrounded. In attempting to break through, many German soldiers jumped into a lake to swim to the opposite shore. Practically all of them were either drowned, or shot by Russian snipers. The remaining Gemans surrendered in large groups.

Nazi Fleet Losses

The German Fleet has suffered severely at the hands of the Red Fleet and naval planes in six weeks of war, states Regimental Commissar Osipov in the newspaper "Red Fleet."

He gives the following German losses: 13 submarines; 10 torpedo boats, three escort vessels, two monitors, two E-boats, one minesweeper and over 30 transports.

Another writer says that up to Aug. 4, 14 submarines were destroyed. Commissar Osipov mentions British successes against German heavier craft and adds that "evidently the Germans cannot bring to the Baltic their larger warships." From Rumania only an unimportant number of submarines can be assembled in the Black Sea.

Sensational new claims regarding "destruction of Russian formations" were announced in a special German High Command communique. It asserted that following encirclement, Russian formations south-east of Smolensk have been destroyed and 38,000 Russians captured together with a vast number of armoured cars, guns and other material. In addition the Germans claim capture of Korosen in the Ukraine.

Soviet Communique

A Russian communique gave no fresh news merely recording fighting along practically the entire front.

In authoritative quarters in London it is believed the Germans have made some progress in the southern Ukraine where their objective is believed to be the Black Sea port of Odessa.

It is noteworthy that apart from the southern Ukraine there is no material change anywhere on the vast front between the Baltic and the Black Seas. Messages from Moscow emphasize that whereas the Germans are silent on their own losses, the Russians have published candid admissions of their losses. This is generally regarded as a sign of confidence and strength on the part of the Russians. The Russians put their losses at 600,000.

Polish resistance to German occupying forces has added greatly to the difficulties which the Germans are already experiencing at the hands of Russian guerillas. If this new resistance spread it may have considerable effect on Germany's long exposed line of communication across Poland to the eastern front.

Success of Guerillas

This is indicative of the success which Soviet guerilla bands are meeting in their day and night harrassing of German troops along lines of communication between the rear and advanced forces. When the German High Command announced successful completion of operations in the neighbourhood of Smolensk details reached Moscow of persistent morale-destroying activity of guerrilla and partisan bands in White Russia and the easternmost frontier. This province is at least 30 miles in the rear of Smolensk.

Indications given by telephone from somewhere in White Russia by a man named Aldinov, secretary of the province Communist Party show that the guerillas continue to raid German lines far to the west of this little known region which is intersected by hundreds of rivers, lakes and bogs. The struggle in White Russia is one of vengeance with little quarter given or expected.

Marshal Timoshenko shows clearly the nature of this behind the line struggle between partisans and German troops. His appeal to guerillas published on Friday gives the watchword, "Blood for blood, death for death." The Germans, to establish themselves at all regions through which they advanced, had to burn towns and wipe out villages by bombing to deliberately terrorize the population in order to win a little safety for their rear.

Eye for an Eye

In return, Marshal Timoshenko demands a policy of vengeance and destruction of Germans individually, destruction of their supplies, destruction of their communications by road and by bridge, and destruction of their morale by loss of nerve and sleep.

This, however, is simply an appeal to intensify the struggle which is already going on.—Reuter.

Nazis Bomb Moscow

Moscow, Aug. 10.

German planes bombed Moscow last night. Eight planes are so far known to have been shot down.

A statement issued by the official Tass Agency says: "During the night of August 9-10, German planes attempted a raid on Moscow. Only individual planes broke through to the city. Others were dispersed by anti-aircraft fire and night fighters.

"A certain number of incendiary and high-explosive bombs fell in the city.

"Several fires, which broke out in dwelling houses, were rapidly extinguished. There were some casualties. According to information, which is incomplete at the present time, eight German planes were brought down. Our air force suffered no losses."—Reuter.

U.S. Cruisers Leave

Brisbane, Aug. 10.

The United States Navy's cruisers recently visiting Australia sailed yesterday for "an unknown destination."—United Press.

Soviets Raids on Berlin

Moscow, Aug. 10.

Soviet Russia's Red Air Fleet bombed Berlin for the third time on Friday night, and M.S.A. Lozovsky, Vice-Commissar of Foreign Affairs and official Government spokesman, warned yesterday that the Russians will continue such attacks.

The Red Air Fleet has bombed Berlin "for the first but not the last time," he declared. He said that Red air units were carrying out endless bombardments of the German rear, particularly concentrating attacks on the Luftwaffe's bases.

M. Lozovsky declared that the Russian air attacks on Berlin should have immense effect on Nazi moral since the Germans are now aware that there is no place in the Reich safe from attacks.

Radio Moscow announced that Soviet planes dropped high explosives and incendiaries on military objectives and railway tracks in the Berlin district on Friday night.

Soviet pilots observed fires and explosions, the radio stated. One Soviet plane was reported missing from the attack, the purpose of which was chiefly reconnaissance, it was stated.—United Press.

High-Explosives Dropped

London, Aug. 10.

Russian planes which bombed Berlin on Thursday night were the same type as the planes which flew over the North Polo before the war, according to Stockholm correspondents. The "Daily Telegraph" correspondent says the raiders plastered factories, electrical installations and power stations in Berlin suburbs with fire and high-explosive bombs.

The raid was carried out with a force of three squadrons of heavy four-engined bombers. Starting from Baltic island bases of Oesel and Dagoe off the Estonian coast they completed the 1,200-mile round trip to Berlin and home without interception and without loss, it is claimed.

Newspapers declared that the Germans are straining every nerve to conceal from the people that the raiders were Russian. In a first account they attributed the attack to the R.A.F. and later said the raid was merely a Luftwaffe night manœuvre designed to test the efficiency of a new night defence weapon. The correspondents add that the raid was a complete success as shown by the fact that anti-aircraft batteries did not go into action and that night fighters went up too late to deal with the Russian bombers.

R.A.F. Photos

The "Daily Mail's" Stockholm correspondent says that the Russians were supplied with copies of R.A.F. photographs of Berlin's chief military objectives, and that this is the first instalment of a joint R.A.F.-Russian Air Force plan for big attacks on Germany.

According to the Berlin correspondent of the Stockholm "Aftonbladet" the Germans repudiate a Russian statement that Soviet bombers made reconnaissance flights over Berlin on Thursday night. The Germans declare that Thursday night was too cloudy for reconnaissance.

The correspondent does not say who raided Berlin on Friday night but says "no anti-aircraft guns opened fire, at least in Berlin. Some planes reached Berlin but were prevented from dropping bombs."—Reuter.

British Overcome Enemy

By Wing-Commander L. V. Fraser
Special Correspondent to the "N.C.D.N."

London, Aug. 10.

RECENT brilliant raids by the Royal Air Force on enemy convoys of shipping, and as well on aerodromes in Sicily, Sardinia and North Africa are stern reminders that, while the Air Force offensive against Germany have been striking successes the operations in the Battle of the Mediterranean are by no means to be belittled. The Italians once claimed that they had landlocked the Mediterranean as their own, but the R.A.F. using its every-growing strength in numbers and quality are able to maintain a much heavier offensive.

The Italian claim of the Mare Nostrum now proves a myth. Enemy convoys which under the cover of darkness attempt to steal across the narrow straits between Sicily and Tripoli and Benghazi have been ruthlessly attacked and many ships destroyed. The few vessels which have escaped paid dearly for their adventure because of the nightly bombing by the R.A.F. of African port harbour facilities. In the Mediterranean and the Atlantic, Nazis submarines have been hunted down in numbers and the long-range R.A.F. flyingboats have done yeoman service in their reconnaissance over hundreds of thousands of miles. The most symptomatic of all developments are those that are taking place round and above Marta.

Since the beginning of the year in this sector R.A.F. fighter squadrons have shot down more than 150 enemy aircraft and have beaten off all enemy attacks to dislodge the British from from their bases on the island. A recent effort by the Italians to substitute a sea offensive has been pronounced unsuccessful. In this connection it is to be noted as well that their air-raids came to bitter ruin and demonstrated the utter inability of the enemy to quench the spirit of Marta defenders.

Hundreds of Planes Shot Down

The enemy must maintain their hold on the western desert, if the battle of the Mediterranean is not to be hopely lost;—that the Allied air forces in this connection have destroyed more than 550 enemy aircraft since the beginning of the year is a vital factor in a review of the position.

The pace has quickened. Recent weeks have seen a great acceleration of the British offensive on a bright, blue Mediterranean. One day last month, the R.A.F. delivered smashing attacks on dispersed aircraft. Without loss to themselves they destroyed 36 planes and damaged many others. On the following day they followed this attack by a raid on an aerodrome at Elmas which is near Sardinia, where R.A.F. squadrons destroyed five aircraft on the ground as well as damaging others. From this operation all British aircraft returned to their bases unscathed.

Other outstanding successes of R.A.F. offensive measures in the central Mediterranean during the past few weeks have been annihilation of an enemy convoy moving from Sicily to north Africa and also a daring bombing raid on merchant shipping and naval units in the harbour of Palermo.

"Blown Up Completely"

A pilot making a report on the first attack said, "Suddenly a ship of about 7,000 tons loomed before me. I dropped my bombs and had to pull up quickly to avoid hitting the masts and wireless aerial of the ship. When my observer looked back to estimate the results of the raid he saw that two of the ships were on fire. The great columns of grey black smoke were gushing from the vessel which was well alight. As we drew away the smoke increased in intensity until finally my gunner shouted, 'I think she has blown up completely.' The rest of our formation made successful attacks and blew up a munition ship of 4,000 tons."

In this operation alone the entire merchant tonnage of the convoy, totalling 25,000 tons, was sunk without loss to the R.A.F. The attack on the harbour of Palermo was as spectacular as equally successful. Regarding this operation, the pilot who was leading the squadron said, "We made our land fall just as the 'doctor ordered' and saw merchant vessels towering round the mole which encloses Palermo harbour.

Remnants of Italian Navy

"Just as we were attacking I saw on my right quite suddenly some remnants of the Italian navy, consisting of destroyers and cruisers. It was really astounding that we seemed to have caught them napping. Their usual laundry was floating in a gentle Sicilian breeze and sailors were basking in the sunlight on the deck. They quickly disappeared as each gunner in our formation systematically machine-gunned the decks of the man-of-war.

"Meanwhile, our bombs had done plenty of damage to merchantmen. The stern of one vessel of 10,000 tons was seen to stick upright from the water and large fires had been started on two other ships each of 8,000 tons. There were additional direct hits on two more vessels, one of about 5,000 tons and the other round 2,000 tons."

Successes Round Tobruk

In the vicinity of Tobruk the aircraft of the R.A.F. and South African Air Force are now operating in ever-increasing numbers. On July 29 Hurricanes and Tomahawks engaged a superior number of Ju87s and Messerschmidt 109s which attempted to attack British shipping. In a few moments of intensive fighting four Ju87s were confirmed as destroyed, and at least five more Ju87s and two Messerschmidts probably destroyed. A comment typical of the entire force was that of a squadron leader of a South African formation of Tomahawks who said, "Those who did manage to escape were well peppered by Tomahadwks that even they did reach home they would be out of service for some time."

The reluctance of the Italian fleet to put to sea means that the Battle of the Mediterranean from now on primarily will be decided in the air. In this development it must be emphasized that the R.A.F. and the Fleet Air Arm have proved their immense superiority over enemy forces. Substantiation of this claim may be seen that one of the greatest British convoys ever to undertake passage of the Mediterranean, recently came to a destination practically unscathed while enemy efforts to take ships from one port to another excepting on extremely short runs are being methodically defeated. In short the Battle of the Mediterranean goes well.

Nazi Raids Over Britain Still Small

London, Aug. 10.

German air raids on Britain are still confined to small-scale efforts.

An Air Ministry communique states: "During the early part of Saturday night, some German aircraft were over the coastal areas of East Anglia and east Scotland. A few penetrated far inland.

"Bombs were dropped at scattered points in East Anglia. Damage was nowhere extensive, but a small number of casualties were caused at two ponits. Bombs were also dropped on one place in north-east Scotland, doing some damage and also causing a small number of casualties."—Reuter.

French Coast Heavily Bombed

London, Aug. 10.

SQUADRONS of R.A.F. fighters escorted Blenheim bombers over northern France yesterday morning. Inland heavy clouds prevented identification of targets but objectives on the coast near Gravelines were bombed.

Escorting fighters encountered a number of fighters and destroyed 10 of them. An eleventh was destroyed near the French coast on Saturday afternoon by a British fighter on patrol. Five R.A.F. fighters are missing.

The German supply ships hidden in a Norwegian fjord north of Bergen were bombed by a Beaufort aircraft of the coast command on Friday night, says the Air Ministry News Service. The machine flying low in rain found the ships moored side by side.

Both opened fire immediately but the pilot gained height and dropped sticks of bombs across them. Smoke from one ship indicated it had been hit.

R.A.F. Bags 18 Fighters

The R.A.F.'s bag of enemy fighters yesterday was raised to 18 by offensive sweeps in the late afternoon, in which seven more fighters were shot down.

An Air Ministry communique states: "R.A.F. fighters carried out several offensive sweeps over the Channel and Northern France late yesterday afternoon. Seven more enemy fighters were destroyed, making a total of 18 destroyed in the day's operations. "R.A.F. losses during the day were ten fighters missing."

An Australian Spitfire squadron achieved the biggest score of the day by shooting down at least five Messerschmitts. This squadron had been operating for only a few weeks and this was the fourth occasion on which the pilots have been able to draw blood.

Two of the enemy fighters shot down by the Australian squadron were accounted for by an Irish pilot, who has already won the Distinguished Flying Cross. "It was a terrific dog fight," he said. "Our squadron ran into fully 100 Messerschmitts and everybody was kept pretty busy. I had my section with me—four of us—when 30 Messerschmitts came racing down. We fought them for 25 minutes before they were driven off. One of the pilots from my section shot one down. I shot two, and three pilots destroyed two fighters between them."

The Eagle squadron, composed of Americans, also took part in these operations.—Reuter.

Libyan Ports Again Raided

Cairo, Aug. 10.

Enemy-occupied ports in Libya were again raided by R.A.F. heavy bombers on Thursday night, states a communique. At Benghazi hits were seen on the central and cathedral moles. In a heavy attack on Tripoli all bombs were seen to fall in the area of the docks where large fires were started.

Other targets attacked again on Friday were at Capuzzo and Bardia. At Bardia a Maryland aircraft damaged a number of vehicles, killing or wounding about 100 enemy personnel. The raiding machine was attacked by a Messerschmitt 110 but returned safely.

British fighters intercepted a number of Messerschmitts off the Egyptian coast on Friday and damaged several. Fighters which engaged enemy bombers over Alexandria on Thursday destroyed one Junkers 88.

Remaining Italian forces concentrated in the Gondar region in Abyssinia were bombed by South African planes on Thursday. All aircraft returned safely from these operations.—Reuter.

London, Aug. 10.

Further naval and artillery contingents from Newfoundland arrived recently at a west coast port. An announcement states that they were welcomed by Mr. D. J. Davies, Newfoundland Trade Commissioner.—Reuter.

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FOREIGN TELEGRAMS (continued)

The European War, August 11.

Nazi Threat to Odessa

London, Aug. 11.

WHILE the Germans, now in the middle of their third offensive, are being held on the northern and central sectors of the front, it is authoritatively announced in London that Nazi forces appear to have made considerable progress in the Ukraine.

From information available it would certainly seem that the threat to Odessa is increasing. There is nothing to indicate, however, that the Russian front is broken.

A colossal battle is being fought out in depth it seems. The main fighting is probably taking place around Uman, mentioned for the first time by a Soviet communique today, but is possible that advanced German units have pushed forward in the direction of Nikolaiev.

A Soviet High Command communique at noon today states that "Fighting is continuing in the Smolensk, Belaya-Tserkov and Uman sectors and on the Estonian front."

The Russian Air Force is reported to have been very active, inflicting heavy blows on enemy Panzer troops and infantry.

Berlin claims that "the pursuit of the retreating Russian enemy in southern Ukraine is making rapid progress everywhere."

On other sectors of the front operations are said to be proceeding "according to plan."

Last night's air raid on Moscow lasted four and a quarter hours. This was longer than some others recently, but to the ordinary observer it did not appear that any more German planes succeeded in getting through than usual.

There were fairly long intervals of silence before Moscow's heavy barrage of anti-aircraft guns of all types opened fire.

There were a few faint glows of small fires, but they disappeared out of the sky even before the full light of dawn as firefighters maintained their excellent record of existinguishing fires before they get a real hold.—Reuter.

Heavy Fighting at Uman

Moscow, Aug. 11.

Heavy fighting was continuing in the direction of Uman, midway between Odessa and Kiev, farther north at Belaya Tserkov in the central Smolensk salient and the Estonian sector, the Information Bureau announced today in an official communique.

Fighting appeared to have ceased temporarily at Solsti, south from Leningrad on the east Vibetsk railway and at Kholm, where operations were resumed yesterday after a lull of several days.

The communique claimed that a Soviet cavalry unit commanded by Sidelnikov routed the 450th German Infantry Regiment when it lured the Germans into a swamp.

The Russians then attacked "one German company and at once destroyed it. The remaining units were split up so that they were unable to continue resistance and they began to surrender," the communique reported.

"In the course of the engagement, about 500 Germans were killed and wounded, six anti-tank guns, 31 machine-guns, eight mortars, ten lorries and many motor-cycles were destroyed."

Near the station of "P," where the Germans were attempting to cross a river, the Germans were repulsed three times by fire from a Red armored train and "then the Russians, under cover of the armored train, crossed the river themselves and recaptured the station," the communique said.

Russians Admit German Gains

Soviet Russia's High Command early this morning acknowledged that strong German forces had struck closer to Leningrad and had driven deeper into the Ukraine in the vicinity of the important communications centre of Uman.

For the first time in one week, the Red Army reported new German advances over a long front. The communique said that in the north, the Red Army "stubbornly resisted" the Germans in the Soltsi sector, 120 miles south of Leningrad and 40 miles closer to the vital northern city than Porkhov where the biggest struggle of the north previously had been reported as centred.

On the vital Ukrainian front, the Germans' new offensive apparently was passing by Kiev to slice into the heart of the Russian bread-basket southward toward Odessa.

Fighting was said to be under way at Uman, 130 miles south of Kiev, along the main railway to Odessa. This was the first mention that hostilities had reached Uman.

Simultaneously, the Germans were battling to carry out their attempted encirclement of Kiev. Fighting continued to rage around Belaya Tserkov, 45 miles southwest of Kiev but for the first time in many days there was no mention of fighting around Korosten. (The Germans have claimed to capture of Kohosten.)

It appeared that the Germans had been halted, at least temporarily, in the other battles being waged around Kholm, northwest of Smolensk, and around Smolensk itself, guarding the gateway to Moscow.

Earlier, the Red Army was reported to have halted the latest German offensive and to have launched a series of counter-blows while strengthening defences of the vital Moscow, Leningrad and Kiev sectors. The last High Command communique, however, nullified these reports.

Nazis Gaining in Ukraine

Berlin, Aug. 11.

Making none of the grandoise claims of the past few days, the High Command today tersely announced that German troops were rapidly pursuing retreating Russian forces in southern Ukraine.

Operations in all other sectors of the eastern front were progressing according to plan, the High Command added.

Northwestern and eastern Moscow was especially heavily bombed last night by German bombers which dropped tons of bombs on armament plants, the communique claimed.—United Press.

Nazis Suffer Severe Set-backs

Washington, Aug. 11.

Military and diplomatic observers here, watching the Russo-German conflict entering its eighth week, yesterday asserted that regardless of the outcome of the hostilities the Nazis have suffered serious material and psychological set-backs which are almost certain to have a profound influence on Chancellor Adolf Hitler's future course.

These experts said that there appeared to be no doubt now that the German calculations have been drastically upset by Russia's strong resistance to the mighty Nazi war machine. Although the German drive apparently has gained some momentum during the last few days, Herr Hitler still has yet to achieve a single major objective in the Soviet Union.

Even if the Russian resistance does break within the next few weeks and the Germans overrun most of European Russia, the Germans will still have fallen short of one of their presumed main objectives—to secure the vast Ukrainian grain supplies to feed Germany and the conquered territories this winter.

According to reports here, Russian resistance has enabled collective farmers to harvest a large part of the crop and much that was not reaped was destroyed.

Heavy German Casualties

In addition, the stand of the Red Army admittedly has cost Germany heavily in casualties and war materials.

All of these factors have combined greatly to lessen the threat of an attempted German invasion of Britain.

At the same time, Britain has been able to conduct unrelenting air attacks against German industrial and military targets which doubtly, at least in small measure, have injured them. Even the Red Air Force in recent days managed to pierce Air Marshal Hermann Wilhelm Goering's so-called impenetrable air defences.

In the Atlantic, Britain's position was shown unquestioned improvement and new figures on shipping losses to be released by the admiralty soon, according to reports, will show that Britain is continuing to gain in the critical Battle of the Atlantic.—United Press.

Nazis Raid Moscow

Moscow, Aug. 11.

Moscow was raided Sunday night and early this morning in a raid which lasted four and one-quarter hours, during which five German planes were shot down, an official communique issued by Tass, official news agency, said today.

The alarm was sounded at 11 p.m. when the Germans attempted a mass raid but the "enemy planes were dispersed by anti-aircraft fire and protective detachments of night fighters," the communique said.

Individual planes broke through the defence and dropped incendiary and high explosive bombs, the communique added.

"Several fires were started but military objectives were not affected and no Soviet planes were lost," the communique concluded.

Eight Nazi Planes Shot Down

Luftwaffe warplanes struck at Moscow early yesterday morning for the 14th time in 19 nights, but only a few planes from "several formations" carrying out the attack were able to penetrate the defences, according to official announcements.

Eight of the German raiders were shot down before the Luftwaffe planes could reach the city. A few reached Moscow despite the network of night fighters, barrage balloons and anti-aircraft batteries, and they dropped explosives and incendiary bombs. Homes were set on fire and some civilian casualties were caused.

The air raid alarm lasted 2½ hours.—United Press.

Kremlin Said Hit

With almost 100 planes employed in dropping explosive bombs of all calibres and "thousands of incendiary bombs," Moscow was subjected to its worst raid of the war last night, the official agency claimed.

One heavy bomb, it added, hit the Kremlin, causing "great destruction" and also several fires were started in the vicinity of the Kremlin.

"The reflection could be observed from a distance of 100 kilometres," the official agency claimed.—United Press.

German Plane Lands Near Alexandria

Cairo, Aug. 11.

It is now revealed that a German plane made a forced landing on Lake Borollos, about 50 miles east of Alexandria, during an attempted raid on the Nile delta last week. The four occupants were taken prisoner. Two were wounded.—Reuter.

R.A.F. Raids on Africa Admitted

Rome, Aug. 11.

British attacks on the coast of North Africa are admitted in an Italian communique which states: "In North Africa, on the Tobruk front, there were patrol engagements and artillery fire on both sides.

"Formations of Axis aircraft attacked objectives in the stronghold, anti-aircraft positions and ships at anchor, causing explosions and damage. Other aerial formations bombed the railway station and harbour works at Mersa Maruh and scored hits on military works east of Sidi Barrani. German aircraft attacked British air bases in Egypt.

"The enemy raided Bardia and the coast of Syria in North Africa.

"In East Africa detachments of the Clugubart Garrison, commanded by Lieut-Colonel Ugolini, made a daring thrust against armed enemy groups, putting them to flight and inflicting considerable losses.

"British aircraft again bombed the stronghold of Gondar and the redoubt at Wolchefit.

"During Sunday night a British aircraft attacked a hospital ship, the California, at Syracuse, hitting it with a torpedo, but the vessel did not sink".—Reuter.

R.A.F. Sweeps Over France

London, Aug. 11.

An attack on German shipping and sweeps over northern France are reported in an Air Ministry communique issued last night.

"R.A.F. fighters escorted Blenheim bombers in an attack on enemy shipping off the French coast yesterday morning," says the communique, which adds that "a supply ship was hit twice and left burning.

"An enemy fighter was destroyed by the escort. Two of our bombers and one fighter are missing.

"Our fighters also carried out several sweeps over northern France during the day. No opposition from enemy fighters was encountered."

These raids are detailed in a communique issued in Cairo:

"Libya—During Saturday night our bombers attacked several enemy targets in North Africa. Three large fires, accompanied by violent explosions and flying debris, occurred at Tripoli, where the dock area was raided. Fires in the neighbourhood of the powerhouse were visible for a considerable distance from the target.

Bardia Heavily Bombed

"Bardia was attacked by an R.A.F. bomber formation, also by aircraft of the Fleet Air Arm. Blenheims obtained hits on a motor transport yard, causing explosions and a number of fires. Aircraft of the Fleet Air made a series of dive attacks and started a number of fires.

"Heavy bombers also attacked the port of Benghazi, where explosions were seen on railway sidings, and the port at Derna, where fires followed the attack.

"Sicily—Bombs were dropped on the harbour at Catania. A 2,000-ton motor vessel at the quayside was damaged by bombs falling on and near it.

"From all these operations our aircraft returned safely."—Reuter.

Enemy Convoy Attacked

London, Aug. 10.

The Royal Air Force today continued its attacks over northern France and against enemy shipping," the Air Ministry announced this evening.

Bristol-Blenheim bombers, escorted by fighters, attacked an enemy convoy off the coast of France this morning. One supply vessel was hit and left in flames. An enemy fighter plane was shot down. Two British bombers and one fighter are missing.

The Air Ministry added that British fighters effected several raids over northern France today without meeting with any opposition from enemy pursuit squadrons.—Havas Telemondial.

Italians Attack Tobruk Defences

Cairo, Aug. 11.

Slight patrol activity and an unsuccessful Italian attack are mentioned in the latest Middle East communique issued here today.

The communique states: "During Saturday night Italian troops delivered an attack against one of our posts on the perimeter of the defences of Tobruk. The attackers were allowed to approach to within 300 yards, when they were killed almost to a man by heavy defensive fire from our artillery and machine guns.

"In the frontier area yesterday our patrols successfully engaged patrols of hostile armoured fighting vehicles, which were subsequently forced to withdraw by the accuracy of our artillery fire".—Reuter.

Queen Thanks U.S. Women

London, Aug. 11.

A SPECIAL message of thanks to American women was broadcast by Queen Elizabeth last night, in the course of which she said that "however great the cost, however long the struggle, justice, freedom, human dignity and kindness shall not perish from the earth." "I look to the day," she added, "when we shall go forward, hand in hand, to build a better, kinder and happier world for our children."

The full text of the broadcast follows: "It is just over two years since I spoke to the American people, and my purpose then was to thank countless friends for much kindness. It is to those same friends, and even of greater kindness, that I want to speak today.

"We, like yourselves, love peace, and have not devoted the years behind us to the planning of death and destruction. As yet, save in the valour of our people, we have not matched our enemy, and it is only now that we are beginning to marshal around us, in their full strength, the devotion and resources of our great British family of nations, which will in the end, please God, assuredly prevail.

"Through these waiting months a heavy burden is being borne by our people. As I go amongst them I marvel at their unshakable constancy. In many cities their homes lie in ruins, as do many of those ancient buildings which you know and love hardly less than we do ourselves. Women and children have been killed, and even sufferers in hospital have not been spared.

Resolution Strengthened

"Yet hardship has only steeled our hearts and strengthened our resolution. Wherever I go I see bright eyes and smiling faces, for though our road is stony and hard it is straight, and we know that we fight in a great cause.

"It is not our way in dark days to turn for support to others, but even had we been minded to do so, your instant help would have forestalled us. The warmth and sympathy of American generosity has touched beyond measure the hearts of all of us living and fighting in these islands. We can and shall never forget that in the hour of our greatest need you came forward with clothes for the homeless, food for the hungry, and comfort those who are sorely afflicted. Canteens, ambulances and medical supplies have come in an unceasing flow from the United States.

Gratitude Deep and Sincere

"I find it hard to tell you of our gratitude in adequate terms, though I ask you to believe that it is deep and sincere beyond expression. Unless you have seen, as I have seen, just how your gifts have been put to use, you cannot know perhaps the solace which you have brought to men and women of Britain who are suffering and toiling in the cause of freedom.

"Here in Britain our women are working in factory and field and gathering harvest, for we must have food as well as munitions. Their courage is magnificent, their endurance amazing.

"I have seen them in many different activities. They are serving in their thousands with the navy, army and air force, driving heavy lorries, cooking, cyphering, typing, and everyone of them working cheerfully and bravely under all conditions. Many are on the land, our precious soil, driving the plough and making a grand job of it. Others are air-raid wardens or ambulance drivers . . . thousands of undaunted women who quietly and calmly face the terrors of night bombings, bringing strength and courage to the people they protect and help.

"I must give a special word to the nurses, those wonderful women whose devotion, whose heroism, will never be forgotten. In the black horror of bombed hospitals they never falter, and though often wounded think always of their patients and never of themselves.

Household Difficulties

"And I need not remind you, who set as much store by your home life as we do, how great are the difficulties which our housewives have to face nowadays and how gallantly they are tackling them.

"I could continue the list almost indefinitely, so manifold is the service which our women in Britain are giving. But I want to tell you that, whatever the nature of their daily or nightly tasks, they are cheered by the evidence of your thought for them.

"A Good Neighbour"

"We like to picture you knitting on your porches, serving in your committee rooms, and helping in a hundred ways to bring relief to our civilian garrison here.

"Though I speak for us all in Britain in thanking all of you in America, I feel I would like to send a special message of thanks to American women. It gives us strength to know that you have not been content to pass us by on the other side. To us, in the time of our tribulation, you have surely shown that compassion which has been for 2,000 years the mark of a good neighbour.

"Believe me, and I am speaking for the millions of us who know the bitter but also proud sorrow of war, we are grateful. We shall not forget your sacrifice.

"The sympathy which inspires it springs not only from our common speech and traditions which we share with you, but even more from our common ideals. To you, tyranny is as hateful as it is to us. To you, the things for which we will fight to the death are no less sacred; and—to my mind at any rate—your generosity—born of your conviction that we fight to save a cause that is yours no less than ours; of your high resolve that, however great the cost and however long the struggle, justice and freedom, human dignity and kindness, shall not perish from the earth.

"I look to the day when we shall go forward, hand in hand, to build a better, kinder and happier world for our children. May God bless you all."—Reuter.

Latest War Office Casualty List

London, Aug. 10.

Two holders of the Military Cross, and two army chaplains—the latter taken prisoner—are included in the War Office casualty list No. 201 published today.

Major R. G. Cook, M. C., Royal Artillery, who died of wounds was awarded the M. C. in May this year for saving the lives of an officer and four men who were being pursued by the enemy after their tanks had been put out of action.

Capt. R. G. Borradail, M. C., who is reported wounded, is in the Queen's Own Cameron Highlanders, and was wounded previously in a brush with Arabs in Palestine in 1939. He received the M. C. in the following year.

Rev. W. T. Jones and Rev. R. A. Simmons are mentioned as prisoners of war.

The list contains a total of 299 names, of which 26 are those of officers (6 wounded; 20 prisoners).

Among other ranks, 42 are reported killed, 50 wounded and 141 prisoners.—Reuter.

Admiralty Announces Loss of Destroyer

London, Aug. 11.

The British destroyer Defender, which was attached to the China Squadron about three years ago, has been sunk, but no details are hitherto available.

An Admiralty communique on the subject said: "The Board of Admiralty regrets to announce that the Defender (Lieut.-Commander G. L. Farnfield, R.N.) has been sunk. There was no loss of life in the Defender."

The destroyer was of 1,375 tons, and her main armament was four 4.7-inch gun.—Reuter.

Destroyer's Casualties

London, Aug. 10.

Out of a complement of 145, one officer and 35 ratings were casualties in the Destroyer Fearless, which was sunk on July 23.

An officer and 15 ratings are missing and presumed killed, 9 ratings died of wounds, and 11 ratings are reported wounded.

The Fearless was part of an escort which saw an important convoy safely through the Mediterranean—despite heavy enemy attacks—with reinforcements and war materials for the Middle East.

The Fearless was launched in 1934.—Reuter.

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Miscellaneous

Eden Warns Japan Against Any Move on Thailand

London, Aug. 7.

MR. Anthony Eden, Foreign Secretary, speaking in the war debate in the House of Commons yesterday, said it was true that there had been a shift in the balance of the war as a result of the German invasion of Russia.

"That shift has had another consequence within Germany herself," he said: "Hitler by his completely unprovoked action has to some extent crossed and confused the fate of his own people. He brought them up on the belief that Communism was an enemy. He made a complete change of front when two years ago he entered into an arrangement with Soviet Russia. He has now asked his people to follow him in yet another change. Inevitably, as can be seen and even felt in terms of the communiques, that action has crossed and confused German faith in its own war purpose.

"Reference have been made to my speech a few days ago and to the distinction which I there sought to draw in our post-war settlements between military treatment of Germany and economic treatment of Germany. Militarily, every precaution that can be devised to see that Germany does not for the sixth time plunge Europe into war has got to be taken (cheers). It may be that in Germany there will eventually grow up a spirit different from this thing which has created Hitler and supports him. But we cannot afford to take any risk in that respect (cheers). On that there can be no wavering.

Economically, the position is different. To put it at its lowest, it would be to our disadvantage and to Europe's that Germany should be economically ruined after the war

Further Improvement Seen

"The British Government realize that this state of affairs creates an opportunity for political warfare. We have made certain changes recently in the work for co-ordination and for operation of our political warfare. I believe these changes will bring further improvement. It is certainly true that we are now entering a period of greater opportunities than we have had before for political warfare and I can assure you that so far as the Government is concerned we realize the opportunity has been given.

"It is true, as Mr. Attlee has said, that there is war on two fronts and it is true in a sense that there is already war in the air—I would say, in actual fact, on more than two fronts, for the Mediterranean is a third front in which a very vigorous war at sea and in the air is at this moment taking place.

"It is true that the German plans had to be made on the assumption of war on two fronts. This is what Mr. Attlee meant and this in no way discloses to the enemy what the action may or may not be of our future plans or intentions."

Freezing Measures in Far East

Turning to the Far Eastern situation Mr. Eden referred to the freezing measures recently instituted. "These freezing measures are not, as seems to be thought by some people, framed to permit transactions which are not expressly forbidden," he said. "On the contrary they automatically forbid all transactions except those which are expressly permitted. I cannot disclose details of the manner in which this policy is going to be applied. It will be worked out throughout with the closest collaboration and frankest discussions between the British Government, its Dominions and colonies and the Governments of the United States and the Netherlands.

"The two latter Governments have furnished us with full particulars and comprehensive information of their attitude. The same collaboration is continuing regarding application and operation of those measures

"It was bound to take a little time to exchange views and information necessary for a common undertanding on such a far-reaching experiment as the freezing orders represent, but the work is now practically complete. These steps were not lightly taken. The freezing order was seriously intended and will be seriously executed.

Position in Thailand

"As to the position in Thailand, the British Government have not failed to note that the Japanese newspapers have recently been using the same kind of language regarding Thailand as they employed before the Japanese demands for bases in Indo-China. For that reason, on July 31, his Majesty's Ambassador in Tokyo drew the attention of the Japanese Foreign Minister to this newspaper campaign which alleged, among other things, that we are intriguing in Thailand, that British military preparations are threatening Japanese interests and that, in consequence, Thailand should in her own interests come to an early understanding with Japan, the Power which controls Indo-China.

"Our Ambassador pointed out that this kind of thing could only mean that some one in authority in Japan was endeavouring to manufacture a case for Japanese intervention in Thailand territory. He added that if a step of this kind were taken, coming on top of the recent action in Indo-China, it must inevitably give rise to a most serious situation between Great Britain and Japan.

Reports Utterly Baseless

"Sir Robert Craigie then gave to Admiral Toyoda a most formal assurance that all these reports of British aggressive designs against Thailand were, of course, utterly baseless. The truth is that we have for over a century had friendly relations with Thailand. Our policy has no other object than to maintain those relations. It is no less true that any action which would threaten the independence and integrity of Thailand (cheers) would be a matter of immediate concern to this country, more particularly as threatening the security of Singapore."

Mr. Eden added in serious tones, "I hope that these words may yet be heeded."

Mr. Clement R. Attlee, Lord Privy Seal and Deputy Leader of the House of Commons, said the "V" campaign was no stunt but a "spontaneous expression of the desires and hopes of civilized human beings who longed for deliverance from barbarian rule."

"The nations in Europe," he added, "look to us not only to destroy Hitlerism but to show, by practice as well as by precept, the true alternative to Hitler's new order.

"We cannot foresee either the time or circumstances of our victory. We cannot tell the trials and difficulties that we have yet to endure but we know that when the victory comes, as come it will, we shall have to take a leading part in helping to establish a world peace and freedom and social justice (loud cheers)."

Nazi Pressure on French Seen

Making a statement on British relations with Finland in the House of Commons yesterday, Mr. Anthony Eden, Foreign Secretary, said that as recently as July 22, the British Government announced they had decided to maintain diplomatic relations with the Finnish Government.

On August 1, however, the Finnish Minister had called to inform him that his Government had decided to recall him.

The British Government, said Mr. Eden, deeply regretted thus action but realised that the Finnish Government were acting, no doubt, under German pressure.

British subjects to leave Finland included most of those who had offered their services at the time of the Finnish-Soviet war.

Asked whether all British volunteers had been evacuated to Sweden, Mr. Eden said: "Not all, but by far the greatest number." In regard to those who remained, the Finnish Government had given their pledge.—Reuter.

U.S. Said Sending Ship To Evacuate Americans

Washington, Aug. 5.

Mr. Wilfred Fleisher, former publisher of the "Japan Advertiser," and Washington correspondent of the New York "Herald-Tribune," reported that the United States Government was preparing to send a vessel to Japan to pick up 654 Americans virtually stranded because of the suspension of Japanese sailings to the United States.

Officials of the Maritime Commission said that the Emergency Shipping Division could make arrangements for a ship to call at Japan to pick up the remaining Americans as soon as it received word from the State Department.

It was considered that one ship probably would be sufficient to remove all Americans because the majority of the 3,747 Americans, of the Japanese race, was believed likely to remain in Japan.—Domei.

U.S. Sends Military Attache to Australia

Washington, Aug. 6.

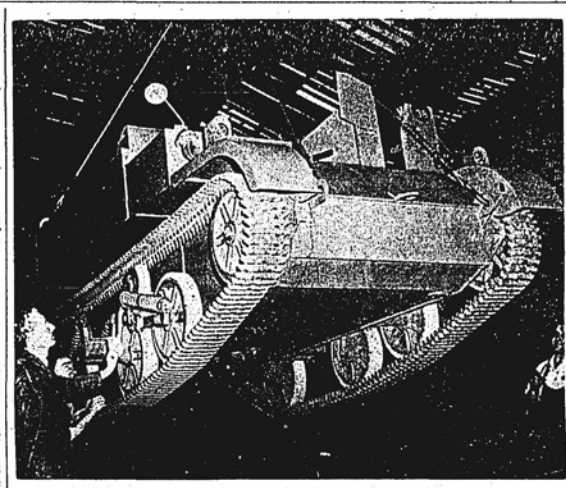
Authoritative quarters revealed yesterday that the United States has appointed a new military attaché to Australia, Colonel Vansandt Merle-Smith. His assistant will be Lieutenant Robert O'Dell.

The two men will depart within a fortnight. The United States previously had sent a naval attaché to Australia, but this was the first military appointment. — United Press.

U.S. Cruisers Arrive

Washington, Aug. 5.

The United States Navy Department has announced that two heavy cruisers, the Northampton and the Salt Lake City, have arrived at Brisbane, Australia, on what is described as a training cruise.—Reuter.



Made in Australia

War work is now the order of the day in many factories in Melbourne, Australia, which once attended to the peace-time needs of the country. This picture shows a Bren gun carrier in one of these factories, as it was hoisted up for a final check-over.

U.S. Watching Orient

Washington, Aug. 7.

Mr. Cordell Hull, Secretary of State, at a press conference yesterday stated that any further move southward by Japan would be a matter of increasing concern to the United States Government, and stressed that America's policy had been set forth in a statement by Mr. Sumner Welles, Under-Secretary of State, on July 24.

Asked to explain the United States attitude in connection with Mr. Anthony Eden's statement in the House of Commons, Mr. Hull said that the United States Government had frequently made plain its concern regarding steps to carry out a policy of conquest by force on the part of certain Powers, and added that this included the Pacific area.

Mr. Hull refused to indicate, however, what concrete measures the United States was prepared to take in the event of fresh developments in the Far East. He merely said that such a development would give rise to increasing concern on the part of the United States Government.

No Evacuation Steps

Mr. Hull declined to say whether the United States had communicated her view to Thailand, and also said that the State Department had not received anything official regarding the Japanese protest to Ecuador.

When asked about a report that Mr. Alfred Duff-Cooper, former British Minister of Information who is on a special mission to the Far East, will visit Washington, Mr. Hull said that although he could not say definitely, he had heard that Mr. Duff-Cooper may pass through within the next few days en route to the Far East.

Mr. Hull indicated that no steps had been taken to evacuate Americans in Japan and emphasized that it required some time to carry out the necessary preliminary investigations.—Domei.

U.S. Said Buying British Planes to Aid China

London, Aug. 6.

The United States is acquiring from Canada between 400 and 500 Hurricanes with guns and war material, according to a report from Ottawa. It is said that they will be sent to China, the Dutch East Indies and probably Russia.—Reuter.

Tass Denies Reported Soviet, Japan Clash

Moscow, Aug. 7.

Tass News Agency today strongly denied rumours circulating abroad stating that clashes between Soviet and Japanese troops took place near the Amur River recently.

The Tass statement declared "Certain foreign newspapers published a report concerning rumours of clashes between Soviet and Japanese troops which were alleged to have taken place near the Amur River.

"Tass is authorized to deny this report as absolutely not corresponding to the facts, since no clashes between Soviet and Japanese troops occurred in the vicinity of the Amur River or any other place."—Domei.

Roosevelt on Vacation

New London, Conn., Aug. 5.

President Roosevelt yesterday was aboard his yacht off southern New England on a vacation cruise. The Chief Executive may meet Admiral J. Earnest King, Commander-in-Chief of the United States Atlantic Fleet, at sea for a conference regarding the Atlantic patrol. The President's movements are secret.—United Press.

Princess Irene's Birthday Celebrated

Batavia, Aug. 7.

Although there were no official festivities, the birthday of Princess Irene, youngest daughter of Princess Juliana and Prince Bernhard, was celebrated in beflagged surroundings and a cheerful atmosphere on Tuesday.

Most Government and private offices were closed at noon, while school children had an extra holiday.—Reuter.

Mr. Duff Cooper In New York

New York, Aug. 11.

Mr. Alfred Duff-Cooper, former Minister of Information, arrived at LaGuardia Airport yesterday on his way to Singapore to survey British coordination in the Far East for the War Cabinet. He arrived aboard a trans-Atlantic clipper from Lisbon.

"The British Government felt there might be great developments in the Far East in the near future, and as a result believed it should be possible to construct in some form a more centralized system of political control than at present exists," he stated in commenting on his mission.

"It may be desirable to work out a scheme whereby political activities in those regions, which at present are being conducted to a large extent from Whitehall, be decentralized the same as in the Near East."

Singapore Headquarters

He said that such activities probably would be coordinated from Singapore.

Mr. Duff Cooper said that the Japanese Government's reaction to the strong measures taken by the United States and Great Britain as a result of the Japanese invasion of French Indo-China had had a distinctly steadying effect on conditions in Asia.—United Press.

Interned Chinese Join Catholic Faith

Vatican City, Aug. 6.

Officials here yesterday announced that upon orders of Pope Pius XII and following their request, 40 "Chinamen interned in an Italian concentration camp" had been received into the Catholic faith.

The Papal Nuncio, to Italy, Monsignor Borgoncini Duca, baptised the men, confirmed them and gave them Holy Communion, it was announced.

The ceremony was attended by Italian civil authorities. Following the ceremony Monsignor Borgoncini Duca read a telegram from the Pope convoying His Holiness' personal blessing to the newly baptized men.

The announcement was the first indication there were Chinese interned in Italy.—United Press.

Asama Maru Fails to Reach San Francisco

San Francisco, Aug. 7.

The whereabouts of the Japanese liner, Asama Maru, with US$3,000,000 worth of raw silk in her holds and 98 passengers aboard, was a mystery today. The vessel failed to arrive from Honolulu on schedule yesterday.

Forty-seven passengers are Americans—mostly United States-born Japanese. The Asama Maru, sister-ship of the Tatuta Maru, was somewhere in the Pacific, but her radio was silenced.

Shipping circles here speculated that she might have returned to Japan rather than face diplomatic complications in the United States.—United Press.

Newspapermen on Panay

Washington, Aug. 7.

An echo of the bombing and sinking of the United States river gunboat Panay, in the Yangtze in December, 1937, by Japanese planes was heard today when it was learned that newspapermen and cameramen aboard the vessel at the time have been awarded the Navy Expeditionary Medal.

Mr. Norman Soong, Hawaiian-born Chinese cameraman for the "New York Times" at the time of the bombing, who was aboard the vessel and snapped some graphic photographs, was among those to receive the medal.

Other survivors of the bombing, which resulted in two deaths, including an Italian newspaperman, also were given the medal. Among those to be awarded the medal are Mr. Eric Mayell, well-known in Shanghai as a newsreel ace, Mr. Weldon James, formerly of the Shanghai bureau of the United Press and now connected with the New York tabloid, "PM," and Mr. Jim Marshall, special writer for Collier's, who was severely wounded by shrapnel.—United Press.

St. Lawrence Seaway

Washington, Aug. 9.

The House of Representatives Rivers and Harbours committee yesterday tentatively approved the Administration's St. Lawrence river seaway project.

The committee voted to include both the seaway and the US$200,000,000 Florida ship canal project into an omnibus rivers and harbours bill.

The vote for the seaway project was 17 to 8 and for the ship canal 14 to 10.

With the inclusion of the two projects the general bill total rises to US$700,000,000.—United Press.

Tatuta Maru Sails

San Francisco, Aug. 5.

The much delayed Japanese liner Tatuta Maru sailed from here yesterday bearing 350 passengers, mostly Japanese nationals, and no cargo. However, it carried 1,577 barrels of lubricating oil for which an export permit was granted by the export control board in Washington.—United Press.

OBITUARY

Sir John Priestman

Harrogate, Aug. 7.

Sir, John Priestman, 86, one of the leading British industrialists and shipbuilders, died at his home here yesterday.

Sir John was chairman of the Shipping Colliery company. He gave an estimated £500,000 to charity.—United Press.

Gen. Salvatore Libutti

Rome Aug. 7.

General Salvatore Libutti, Administrative director at the headquarters of the Fascist Militia, died here yesterday of heart failure.

Gen. Libutti fought in the World War, in Ethiopia and Albania and was decorated with the silver medal of valour.—United Press.

Prof. Hsu Ti-shan

Hongkong, Aug. 5.

Professor Hsu Ti-shan, Chairman of the Chinese Department in the Hongkong University, died yesterday afternoon.

Professor Hsu was a graduate of the Universities of Oxford and Columbia, and was formerly professor at Yenching University, Peiping.

He later joined the Hindu University at Benares, concentrating on Indian philosophy.—Reuter.

Sir Rabindranath Tagore

Calcutta, Aug. 7.

India lost her foremost poet today when Sir Rabindranath Tagore passed away here at the age of 80.

The deceased had been ailing for some time and recently underwent an operation. He is the author of mystic poems and of various works of ardent nationalism.

He obtained the Nobel Prize for Literature in 1913. Among his works are "The Gardener", "The Crescent of the Moon", and "Gitannali".—Havas Telemondial.

All India Mourns

Bombay, Aug. 9.

The entire country is mourning the death of Sir Rabindranath Tagore, and there are spontaneous demonstrations everywhere in memory of India's great leader, thinker and philosopher. Tributes are being paid to the memory of Tagore from all quarters.

The Viceroy, in a message to the poet's son, states: "I am deeply grieved to learn of the death of your father. This marks the end of a long life of service inspired by high ideals nobly conceived and actively pursued, and will be an inspiring example for generations to come."

The Governor of Bengal said: "In Tagore Bengal has lost a son whose long distinguished career has been inspired by service to his fellow men."

Mr. Gandhi said: "In the death of Tagore we have not only lost the greatest poet of the age but an ardent nationalist. There was hardly any public activity to which he did not lend his powerful personality."—Reuter.

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FROM THE FOUR WINDS

An Asiatic Slant on the Russo-German War

BY EDWIN HAWARD

Adviser on Indian Affairs to the Far Eastern Bureau British Ministry of Information, and former Editor of the "North-China Daily News."

IN India a fortnight ago, I was much impressed by the quickening of Indian concern in the War as a direct result of the outbreak in Iraq. On all sides I heard the comment: "The War is indeed brought closer to India."

Since my return, the invasion of Russia by Germany has occurred. That, too, has come as a distinct shock to opinion in India—for remember, that means that a country now fighting on the side of Great Britain and India is actually one of India's neighbours.

If you look at map you will perceive that Russian and Indian boundaries are co-terminous in the lofty Pamir Plateau, the eastern end of the Hindu Kush forming a natural barrier. Just as the war cloud in Iraq stimulated activity in India, so the outbreak of hostilities between Russia and Germany brings India into direct territorial contact with the present struggle. Its reactions further east moreover have a vital interest for India.

Of India's war effort it is sufficient to say that, despite the unhappy spectre of internal political controvesy, linked with equally unhappy communal tension, India as a whole is unshakeably determined to throw her resources of materials and man power fully into the defence of the Empire. Of that, magnificent earnest has been afforded in Africa where Indian troops have covered themselves with glory.

The other day in the "Straits Times," General Heath paid a striking tribute to the achievements of the Indian forces and their British comrades under his command in Abyssinia and Libya. To that story there is little to add, seeing the authority which it bore. The news columns of the press as well as the radio bulletins have been eloquent of late on this subject.

Sheer, Cold Courage

As you know, the Indian Army which is now fighting in Africa, Iraq and Syria and now prepared in India and Malaya to resist aggression, differs in one respect from the Indian Army of the last war. Since that war a new type of officer has entered the Indian Army. In recognition of the gallantry of Indian forces on so many fronts, in 1914-18 the King Emperor approved the grant of his commissions to Indians who at first were trained at Sandhurst and since 1932 have been trained at the Indian Military Academy at Dehra Dun.

The other day it was announced that one of these new products—a former Dehra Dun cadet, younger brother of an Indian King's Commissioned Officer, now serving in Malaya, had won the first Indian V.C. of this war by a deed of bravery which, as his Commanding Officer said, for sheer cold courage could not be beaten. That and other awards have afforded sterling proof that the reputation of India's fighting men for professional skill and indomitable valour, is being well maintained by the Indian Army of today.

Particularly noticeable in the cold official accounts of these exploits is the remarkable initiative displayed by Indian officers and men of all ranks.

Pride of India

Time and again, it is shown that the Subadar, Jamadar, the Naik and even the doughty Sepoy have taken critical decisions on their own account and carried out those decisions with success and confident courage.

An army which can record such achievements is an army of which India can be justly proud. This pride should be the greater because with the mechanization of units in modern warfare the basis of recruitment has been broadened—and remember recruitment of the Indian Army is voluntary and always has been—thus bringing the people of India into even closer association with the men who undertake the defence of their country.

In passing let me give you a glimpse of my own recent experience as I journeyed through India this month in the height of the hot weather. Two and a half days' railway journey from Calcutta to Simla gives you a very good idea of social relationships, for there is none of the stiffness and awkardness of the atmosphere in an English railway carriage. At once passengers get down to tackling in concert the asperities of high temperatures, the ordeal of constant intrusions of dust, and the accumulations of luggage.

Excellent Relations

Whether the class be first, second, intermediate, or third, the comradeship is the same, so when I started from Calcutta by nearly missing the train and spending the first hour with some Englishmen in the wrong carriage, I managed very soon to get into conversation with them. On changing to my proper carriage where my derelict luggage had been deposited, I found myself companioned by a young Indian Cavalry captain whose uncle was a very famous Indian politician, a rising young Indian official of a Government department, and a wealthy Calcutta businessman, from Rajputana. The readiness with which we managed to discuss the war, internal polifics and air-raid possibilities and the lighter side of Indian life afforded me concrete proof of the excellence of the relations now existing between Indians and Englishmen.

Nor was this achieved by reticence. The weaknesses and peculiarities of public and private individuals were discussed quite freely. The Indian soldier, the symbol of the new dispensation, was as keen on his profession as any young officer of his type would be, and he showed himself also to be extraordinarily well-informed on world affairs. The official was jealous of the reputation of his department and gave reasons for his conviction that it was rendering useful service. The merchant, besides controlling a great business, was doing public work as the commander of one of Calcutta's civic guards units. Incidentally, the other two twitted him with congratulations on the possibility that his semi-military activities might deprive him of the corporeal burden which in India often has to be carried by the man of wealth.

Industrial War Effort

The prowess of the Indian Army and the excellence of its training are not surprising, for in one way or another, some part of the Army in India is always on active service. Between the Armistice of 1918 and the outbreak of the present war in September 1939, only two Victoria Crosses were won. They both went to the Indian Army. Ishar Singh of the 28th Punjabis in 1921 received the decoration for gallantry in Waziristan. About four or five years ago, a young subaltern named Meynell of the Guides, was posthumously awarded the Victoria Cross for outstanding bravery in operations further north on the frontier.

Supporting this Army in the field is the industrial war effort in which India is greatly speeding up her production of all kinds of munitions and ancillary supplies required by the modern army. She is a member of the Eastern Group Supply Council in which her central position gives her special importance.

The three Dominions of New Zealand, Australia and South Africa, are represented on this Council as well as India. It is presided over by Sir Archibald Carter as representative of the United Kingdom. Although formerly Permanent Secretary to the Admiralty, he is no stranger to India. In earlier days he was the Secretary-general to the Indian Round Table Conference in London, and he toured India with the Simon Commission.

The Supply Department directing India's activities in response to the call of the Supply Council gives a great impetus to the development of Indian industries in wartime. In the long run, it will be found to have made a notable contribution to the permanent advancement of India, as one of the big industrial countries of the world.

This brief resume shows that India has solid reasons for standing on her defence. The achievements recorded are worth protection against the onslaught of the Nazi hordes whose gangster leaders seek world dominance, with the object of suppressing all economic and social institutions which do not contribute directly and exclusively to their own insensate rapacity.

Russia has been compelled, for the sake of her own independence to take up arms against the invader, and Russia knows full well that one of the motives behind this German aggression is the desire to spread out the tentacles of Nazism into the heart of Asia.

Not a New Story

To India that story is not new. In the last war, German influence was exceedingly strong in the Middle East, while the Expeditionary Force from India was operating in what was then known as Mesopotamia. India's South Persian Cordon had to be thrown out to protect that force's right flank and to keep the line of communication clear with India.

Although the Mesopotamia campaign was directly launched against Turkey, it was well known that Germany had had an eye on the establishment of rail communications between Berlin and Baghdad and consequently she took an active interest in the Persian Gulf. The Kaiser's idea in other words was to draw off the traffic from the sea route to India as a useful additional benefit in securing German ascendency at Istanbul and consequently German mastery over Asia Minor and the Middle East.

Now, I am not going to suggest that in making war on Russia, Herr Hitler has all this in mind. It is likely that he is looking to the more immediate objective of crushing England from the air to which his experience last year showed that the elimination of any threat from Russia is a condition precedent. Still, Hitler rules in Berlin as the Kaiser did and at his disposal are some of the Middle Eastern experts with whom we had to contend in the last war.

Not Negligible Factor

Russia is by a no means negligible factor in the Middle East. Readers of Victorian novels will remember that the rising young politician in the House of Commons was usually depicted as having made good his claim to be the future Prime Minister by a formidable speech on Russian policy in Persia or even closer to India than that.

Today, what was Persia, a next door neighbour of India, is Iran, governed by a forceful Shah who rose from the ranks in the Persian Army and eventually replaced the effee regime of which the last representative was the late Sultan Ahmed Shah. Reza Shah Pahlevi has overhauled the whole of the Iran administration and now there is a railway from the Caspian Sea to the Persian Gulf, 872 miles long—built in eleven years.

The other neighbour of India on the North-West frontier is Afghanistan, a rugged pastoral country with a population of ten million. Before and during the Great War, Afghanistan was ruled by an Amir. Few Amirs in Afghanistan's history have died a peaceful death. The Amir who was on the throne at Kabul in 1914 was Habibullah. Despite German blandishments he managed to maintain neutrality and friendship with Great Britain, but he had to contend with a strong pro-German party.

Pro-German Assassinations

Just after the war, Habibullah was assassinated by these pro-Germans—the price of his staunch loyalty to his pledged word. His younger son, Amanullah, came to the throne. He took the title of King, and endeavoured to reform the social customs of his people, in defiance of ecclesiastical influence. A water carrier named Bachcha-i-Saqqao raised the standard of revolt and Amanullah had to flee. He and his consort are now in Italy.

The new ruler, reverting to the old style, called himself Amir Habibullah. He was of the bandit type and could not last. Nadir Khan, the former Commander-in-Chief and ablest Afghan of his day, returned to India from Europe, collecting round him a well disciplined force. He ejected the ex-water carrier and hanged him and about 60 of his followers outside the walls of Kabul.

Nadir Khan took the title of Nadir Shah or King Nadir. He proved to be a good administrator. He managed to reform the government without offending religious susceptibilities. He was assisted by an interest free loan from Great Britain. He showed considerable friendliness towards Great Britain and India, especially in co-operating in the control of the independent tribesmen on his side of the border. Unhappily, he was murdered by a student at a prize-giving at the German organized school in Kabul—perhaps a significant spot for such a crime.

Interest in Iraq

That was in 1933. Since then, his young son the present King Zahir has sat on the throne. His government is conducted by his two able uncles who are Prime Minister and War Minister respectively.

Afghanistan's interest in Iraq is considerable, because many of the most important religious leaders in Afghanistan are of Iraqi origin. Some of them belong to the Geilani family to which the now expelled usurper Rashid Ali claims to be a cadet. Rashid Ali, however, abused his position as minister by improper use of religious Endowment Funds. This is counted against him in Iraq and elsewhere.

Communications in Afghanistan are poor. The chief routes to India pass from Kabul to Peshawar and the road from Kandahar to Chaman.

Afghanistan is an adherent of the four-power non-aggression Pact, of 1937. Her co-signatories to that document are: Turkey, Iran and Iraq.

Comprising the greater part of the Arabian peninsula—Saudi Arabia in treaty relationship with Iraq, Egypt and Trans-Jordania—under Ibn Saud, is an Arab Kingdom now including the Hedjaz as well as Ibn Saud's original sultanate of Nejd. King Ibn Saud is the most forceful personality in the Arab world. Friendly to Great Britain, he refused to give his countenance to the rebellion in Iraq.

Importance of India

This background of the countries lying between Syria and the North West Frontier of India south of Soviet Russian territory, shows how important to India is this new turn of the war with Germany. If, by any chance, the Germans could penetrate to the Middle East—our action in Iraq and Syria has been a timely stroke to offset such an event—the vigilance of India would have to be redoubled.

Iran has formally declared her neutrality with specific relevance to this new phase of the struggle. The declaration is significant, for Russian and Iranian relationships have a long history. As a hostile neighbour, Iran would be a distinct embarrassment not only for Soviet Russia, but also for India.

Afghanistan's friendship is an important asset to India. Many Afghans—among them the most virile and warlike—are Pathans, allied in blood and religion to the clansman in the independent tribal territory which lies between India's administrative border and the demarcated frontier between India and Afghanistan, known as the Durand Line.

Southern Bastion

In that tribal territory are 500,000 fighting men, over half of whom are armed with modern rifles. They are under the lightly exercised suzerainity of the Government of India. They owe allegiance to no common chief, split up as they are into clans, linked by a common religion and kinship. Fighting is their secondary occupation. They are very susceptible to the influence of storms without and within India. Enemy propaganda has been active on India's Frontier. You probably have seen that it has given a new lease of life to the firebrand Faqir of Ipi, the fanatical will-o-the-wisp of the Frontier today. But watch and ward in those turbulent hills is being firmly kept by the Army in India. Baluchistan has increased its defences. The Afghan Government's correct attitude is appreciated. In Kabul the British Minister is Sir William Fraser Tytler. He is no stranger to Afghanistan. An experienced officer of the Indian Political Department he has served on the frontier for eight years as a soldier.

So you see this new phase of the war brings into even more vivid relief than ever the astonishingly extensive part which India is playing in the defence of Empire communications and of her vast domains. You might almost say that, supported by British sea power and the R.A.F., India's army now mans the southern bastion of defence against enemy attacks on Asia. From Libya, Abyssinia, Eritrea, Somaliland, to Syria, Iraq, and then, with a leap, from the outer marches of Baluchistan to Burma and Malaya, Indian soldiers are on guard, quitting themselves right well as the stirring records clearly show. They demonstrate the value of Indian co-operation to the Empire, and the strength and prestige which India derives as a notable partner in the Empire's fight for civilization.

Poor Moral of Italian Forces

Shanghai, July 31.

THE campaign against the Italians in Abyssinia is described in the following letter, received by a Shanghai resident from his brother serving with the South African forces. The poor *moral* and cowardice of the enemy are vividly depicted by the writer, who saw the campaign from the very first day when the British forces entered Italian Somaliland to the day when they occupied Dessie after the Italians had been captured with their transport, artillery and war materials.

The letter follows:

First of all, thanks for your many recent letters, which have arrived at frequent intervals lately.

You say that you would like to hear of what we have been doing since this war has been on, so I will give you a short summary of what we have done since we left Kenya and entered enemy country.

Our first action after we crossed the border and entered Italian Somaliland was at a place called Gobuen, near Kismayu. We advanced in transport to a debussing area about three miles from Gobuen in the night and left our transport on a landing field, while we advanced on foot to take Gobuen. We had hardly got started, however, when we bumped into the enemy, who had taken up positions at the end of the aerodrome through which we had to pass. They had had ample time to choose and consolidate excellent positions, but after a short and fierce battle, we forced them to withdraw and continued our advance.

Italians Surrender

Early the next morning, we attacked Gobuen and at about midday it was in our hands. The Italians, however, had only withdrawn over the Juba river to a place called Jumbo and we were held up for about five days while some of our boys crossed the river higher up and came in behind the Wops. The whole time we were waiting for our other boys to work round, we were being shelled by all types of artillery, all day and every day, but without serious results. On the day our other boys were to start their attack, the—Wops chucked in the sponge, and we walked in.

After that we continued our advance to the North, and such towns as Marguerita, Gelib, Medin, Brava Merca and Mogidishu fell in rapid succession, and we were granted a bit of a break at Brava, which is a small seaport. There we had our first sea-water swim since leaving Cape Town.

Addis Ababa Taken

After a break there, we moved on into Abyssinia and once again started chasing Italians. Our advance here was also very fast and such towns as Harar, Diredawa, Dedar Irna, Meisse and many others also fell like ninepins and almost before we had time to take stock of our surroundings, we were in the capital, Addis Ababa.

There we were also given a rest for about a week, during which we had a good time in the town, as it was the biggest town we had entered and there was booze obtainable and many other things that delight the human heart.

Watched Italians Run

Our rest period also came to an end, however, and once again we pushed North after the Wops. Our first glimpse of them this time was when we were held up by a portion of the road which they had blown up on a mountain pass and we saw them scooting hell for leather out of a small village far below us. As there was no way of getting past the road block we had to sit and watch them run. We finally caught up with them at a very well defended pass a few miles from Dessie and there started the hardest fight of our career.

As soon as our forward transport came in view, they let us have it with light and heavy artillery and we were forced to get our transport off the road and into the bush. The next day very early in the morning, we packed a few days hard tack into our packs, filled our water bottles and started mountaineering. We climbed mountains (and here in Abyssinia they are mountains) all that day and the next morning we were in position on high mountains overlooking a lot of the Italian positions.

Heavy Casualties Inflicted

My section was put in position overlooking a small Italian camp and all day we watched them making fires to cook grub, etc. but we had to wait for the order to open fire. Towards evening, when the order did come, we opened up on that camp at no more than 500 yards and did those Wops fan the breeze. Whew . . . We gave them absolutely everything we had and believe me, we had plenty, for about 15 minutes, and when I gave the order to cease fire, there wasn't a Wop to be seen. The number of casualties in that camp alone, was, I guarantee, pretty high.

This type of thing carried on for about five days, while our artillery pounded hell out of their positions, and vice versa, when they withdrew to new positions further back, but by this time their spirit must have been broken as we soon mopped them all up and captured almost their entire force besides tons of transport, artillery and war materials of all descriptions. We then entered Dessie and this is where we still are. Where we go from here is still in the lap of the Gods, but I can assure you that where ever it is, the 1st. South African Infantry Brigade will make its presence felt.

U.S. Sending Cloth For Chinese Army

Washington, Aug. 8.

Mr. Henry Morgenthau, Jr., Secretary of the Treasury, revealed yesterday that the Lend-and-Lease Administration had ordered 10,000,000 yards of cotton goods manufactured for the Chinese Army.

Mr. Morgenthau said the cotton goods would be used in making uniforms for Chinese soldiers. He added that the order was approved a few days ago.

The Treasury Secretary said he had talked with M. Constantin Oumansky, Soviet Ambassador, but denied they had discussed Russian-American financial problems.

Mr. Morgenthau disclosed that a licence had been granted to the Cheney Silk Manufacturing Co. to withdraw silk from bonded warehouses to make parachutes for the United States Army.—United Press.

A SUM of £1,776 has been contributed by the people of St. Vincent, one of the Windward Islands, towards the purchase of a Spitfire.

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SPECIAL ARTICLES

RUSSIAN RESISTANCE

By O. M. Green

It is quite clear that the Germans are worried by the stout Russian resistance. Their communiques tell a revealing tale. For example they complain that an annihilated Russian army has broken up into scattered guerillas, which from parallel communiques, are evidently giving them lot of trouble. The injured tone in which the Germans speak of the Russian toughness and their refusal to admit that they are captured when the Germans have said they are is ludicrous—as if it was some monstrous perversion of nature that anyone should resist and in fact throw out of gear the German time-table. Their "scorched earth" policy too was obviously outside their calculations and has bit them hard.

Meanwhile the eagerness of everyone here that we should do something dynamic to help Russia is intense. "What chance is there that we might invade Belgium or Holland?" one hears asked at every turn. There are reports that the Germans are nervous of our attempting it and have put all the coasts of Norway, Belgium and Holland out of bounds for any but German troops. This talk is an illustration of the public feeling. It seems hardly likely that our mechanized forces are yet up to the strength required for so terrific an undertaking.

* * *

One thing clear is that the R.A.F. has made the air bases in France virtually unusable for some distance from the coast and while in the Battle of Britain over our country German losses were five times as many as ours, when our airmen start attacking over France and Germany, their losses are still twice ours. The fact that Goebbels' reports on the fighting exactly reverse the figures speaks volumes.

And all the time a steady stream of bombers is flying eastwards across the Atlantic. The point has been reached when a bomber produced say in California yesterday may be one over Germany a fortnight hence. The Boeing Fortress, the big four-motor high flying bomber, and the Consolidated Liberator, one of the fastest heavy bombers in the world, now fly regularly from New York to Britain via Newfoundland, 3,300 miles. One of them recently made a record trip of 7 hr. 40 min. from land to land and returned against the prevailing west wind in 13 hr. 30 min. carrying a number of ferry pilots. Apart from the war, the amount of flying experience that is being accumulated and the indifference with which the transit of the Atlantic is regarded are things to marvel at.

So little a time ago, too, trans-Atlantic flights were regarded as high experiments, only for the summer. Yet aeroplanes have been crossing the Atlantic all through the past winter without hitch or accident and no one thinks anything of it, some unknown genius has invented the splendid motto "Venture Adventure" for the Air Training Corp and with an appropriate badge it has been approved by the King.

So great has been the growth of the A.T.C. during the past few months that Mr. Wolfenden who was given six months leave from his duties as headmaster of Uppingham to be Director of Pre-entry Training has had to extend his absence from Uppingham another six months. The A.T.C. which consist of boys not yet old enough for the R.A.F. now contains 1,334 units with a total strength of over 190,000. Many cadets have already passed into the Air Force and they are everywhere spoken of as a credit to their training.

* * *

The occupied countries of Europe are observing vigorously the letter "V," standing for "victory" of Great Britain, campaign. The phenomenon first appeared in Belgium whence it spread all over France. Night after night "V's" are painted upon buildings, particularly those occupied by Germans or scrawled on posters and palings. People meeting each other make the sign of the "V" with two fingers, in restaurants and theatres they tap it out in Morse; three dots and a dash. By what really seems an uncanny coincidence the Morse sign exactly reproduces the first four notes of Beethoven's Fifth Symphony, the famous "Destiny knocking on the door."

The Germans are furious but nonplussed to know how to deal with this plague of "V's" specially as someone has discovered that the very cockerels crow three dots and a dash and rather like Beethoven. You can fine a town for having "V's" painted on its walls but that will not silence the birds.

* * *

The Ministry of Information has been the centre of a heavy encounter between the Minister and the Services and the subject of a heated debate in Parliament. There is not one dissentient voice in Press or Parliament on the axiom that our publicity and propaganda, are badly managed and that the fault is not so much the Ministry's as that of the services and the Foreign Office, of whom the former appear to hold that the public must never be told anything while the ideas of the latter on propaganda would make angels weep (for the value of that simile, please recall that "angel" literally means "messenger").

The general contention is that the Minister of Information must have more power and responsibility. The clamour became so great that the question went up to the War Cabinet, where the brass hats won all along the line. The remedy announced by Sir John Anderson in Parliament is that another brass hat should be appointed from each service to the Ministry, in order to hasten decisions as to what shall be published. "Then, they joined and all abused it, unrestrainedly abused it." That was Parliament's attitude. Mr. Bernays compared the M.O.I. to the brontosaurus, a prehistoric monster which, he understood "measured 60 ft. long, weighed 60 tons, had very little brains and no backbone." It is pretty certain that the new appointments to the M.O.I. like the famous Mr. Parker, will "make much darker what was dark enough without." (Since then Mr. Brendan Bracken has been appointed—Ed.). It has a staff of over 2,000, costing over £2,000,000 a year and its efforts are derisory partly because the people whose profession is publicity are allowed so little say in its productions.

The whole organization was badly designed and tinkering has made it very little better. One big man after another has been appointed who was supposed to be going to do wonders, only to throw up the job in disgust in a few months. It is not wholly the M.O.I.'s fault. The attitude towards it of both the Government and the Services is wrong. Properly used the M.O.I. should be as much a part of our fighting machines as the Navy, Army and Air Force.

* * *

The difficulty of getting cigarettes and tobacco has become fantastic. Until recently there was at least no trouble in getting one's tobacco. Now even that has gone underground. Mr. Maxwell, the controller, has announced that he was sending out sleuths to ascertain the cause of this famine, for it is a fact that larger quantities of tobacco are being released than ever. But so far whatever the sleuths may have discovered the famine remains the same. In recent weeks people have had to buy varieties of tobacco of which they never heard. Now and then one strikes something which one thinks rather nice. Mostly one wonders that such stuff can ever find a sale. Even with the best one is soon longing for one's own particular brand. It is curious how intensely conservative men are about their tobacco.

STRAY NOTES

Weihaiwei, July 16.—When I wrote the other day about those wild honey-bees being already at home in their wooden hive I was wrong, and I now find that the whole process took two or three days: the reason why I did not go too near the hive has already been explained.... and that is a tender subject. Perhaps the best idea will be for me to explain the whole process. The "Jeeves" apparatus consisted really of two boxes, the lower one having, for the time being, no lid to it, and the top one being merely a sort of canopy with no bottom to it, and with one side removed, so that it could be pushed over the top of the swarm; the whole contraption was rigged up on a Chinese stool and placed so that I could not see the swarm at all when I made the statement mentioned above. In the bottom box (i.e. the future hive) Jeeves had spread sugar sprinkled with water so that, as he put it, "this bee can easy chow." And it certainly appeared that all the bees had left the tree for the sugar. So the next time I visited the scene, seeing no bees, I boldly approached and peeped in: there was an angry buzz and about half the swarm came at me; obviously sharpening their bayonets as they flew: being fairly active, and having a topee (not to mention two handkerchiefs and a walking stick) I managed to escape without fatal injury: so I called Jeeves for further explanation: he smiled at my fears and said, "B'long dissa way: first time some man-bee walkee inside box makee chow: he no come back: so byanbye dis woman-bee walkee inside makee lookseе: then chop-chop all other man-bee walkee inside." This seemed so reasonable that I did not argue further: and the following day I found that the Jeeves prophecy had come true: the bottom box was neatly hung up on a wall and the bees were buzzing round it: but there was no sloping entrance such as I have always seen....only little holes in the side of the box: so I said, "Jeeves, this no b'long proper fashion walkee inside": he said, "Yes, Master this b'long *wild* bee": Then I, remembering yesterday, said "Jeeves, you're right." —E.S.W.

* * *

July, 18.—I have often described the feeding of young Swallows when they are too big for the nest but not yet strong enough to go out into the country to be fed on the wing (at the same time learning to feed themselves): there is, however, always something to learn, and if you are sitting behind a curtained window above which runs a telephone cable providing a perch for as many as twenty birds, the sight is irresistible. The youngsters sit on the wire and the parents come at intervals, thrust a bundle of insects into one gaping mouth, *without alighting*, and depart for more food. You can read a book between visits if you like, for the youngsters warn you by their cries when a parent is approaching. Today there was only one family on the wire, with a few odds birds coming and going, and out of this family probably two were from an earlier brood for I noticed that only four were fed at any time, Little Willie, who is a definite blonde, thinks he is very smart and turns round quickly with open gape when Mother appears from the back: but you can't fool Mother like that: she swoops over in a partial somersault and feeds the next in turn from the correct side: then an odd number from another family gate-crashes and takes his place in the hunger line: Father (coming next) just pushes him off the wire, sends him about his business, and returns to feed his own: next an intruding sparrow is similarly treated: then Mother picks out one of the older ones, gives a short sharp order, and the two fly off together: that one is to have a lesson at being fed on the wing. An hour later (all six being now on the perch) Mother suddenly flies down the gaping line giving a sharp double cry like *"see-seeyee"*—which obviously means "pack up and follow me": the whole six rise as one, and follow Mother: I walk out to see what has happened and find two Hawks flying over. Nothing new about that, but I have just been reading the works of Mr. Richard Perry who says "All the evidence is against our presuming a wild bird to be capable of rational intelligence...". Surely not *all* the evidence, Mr. Perry?—E.S.W.

* * *

Weihaiwei, July 21.—It is always best to own up to mistakes, and I certainly was mistaken when, after a hurried glance round my garden, I wrote that we had, "White-eyes nesting—and Willow-warblers chirping in the trees." There is no doubt that White-eyes are nesting here, but the obvious error was to refer to Willow-warblers being here in July: these birds do not breed here, and although they are often seen as early migrants going south in late August, this month could not possibly find them with us. I sometimes wonder if Père David made some such slip when he wrote that "some (Willow-warblers) remain to breed in the wooded mountains of China"—for nobody else has thus recorded them. It was a fine sunny morning at 11 a.m. (when very few birds are abroad) that I first saw the error of my ways: repeated calls of "chi-ii"—not unlike the Willow-warbler's "sweet-sweet"—came from various parts of the garden, so I went out with the field-glass to investigate: but there was no need for glasses: the fruit-trees seemed full of White-eyes, and there was no mistaking the white eye-ring, the black and yellow of the facial area and the grass-green upper parts. I felt like a wealthy mandarin surrounded by his favourite pets, and was astonished at the boldness of the birds which often came within a few feet of me: they were flitting about all over the garden, but an hour later they had gone....though I have since had almost daily visits from them and have been much interested in following their habits. There seems to be a flock of these birds in the neighbourhood —several families joined together, which travel from place to place in company so that I sometimes meet them in other orchards on the hillsides: the "clan call" by which they keep together is "*chi-ii*," but they have sweet little phrases of song which you may hear when you are quite close to them, and I can well imagine the fascination they have for Chinese bird-fanciers. I like to think of Père David observing these birds some eighty years ago and writing, "they travel in flocks and explore the foliage of trees in gardens and orchards"—which is precisely what they are doing in my garden today.—E.S.W.

ALONG THE HIGHWAYS

Aug. 2.—Recent heavy rains have caused one of our "garden surprises" to display its charms rather earlier than usual. This is *Lycoris squamigera* a very close relative of the Belladona Lily. During Spring, the ground under many tree and shrubbery groups was covered with large Daffodil like foliage: this died some time ago and, apparently from nowhere, have sprung tall stems bearing delicate rosy-mauve flowers. This strikingly beautiful Lycoris is a native of China and Japan and it is best grown in a fairly large mass. It mixes well with the so-called Chinese grass (Liriope minor) that we see so much of along the banks of creeks and grave mounds in the country; this "grass" does not smother Lycoris as might be expected; it provides a ground cover that makes a fine background for the flowers. Some people are opposed to introducing "China grass" into their gardens; they consider it too coarse-growing. We admit that if the plant is permitted to have its own way, it will develop into untidy clumps; but this habit can be prevented by occasional cutting back. We like to cut down all foliage to within a few inches above ground level in Spring; new leaves are soon produced and the same treatment may be repeated later with a result that within a comparatively short space of time, the plants become thick and an even growth is obtained. There are only a very few kinds of grass that will thrive under the shade of trees here, so Liriope is a very useful substitute and for this purpose alone it is worth planting. Its attractiveness cannot be compared with that of Ivy, which is also an excellent ground cover; but it is a quicker grower and results are obtained the first season, whereas we have to wait many years before we are able to get a really thick covering of Ivy like the one that has been much admired recently close to the fountain in Hayim's garden. Reference to this garden reminds us that the large groups of Oleander are just commencing to produce their second crop of flowers and that they should be making a fine display again shortly.—W.J.K.

* * *

Aug. 4.—Two of the blue-flowered edging plants that we use for Summer bedding here are *Ageratum* and *Torenia*. The first-named is a Tropical American herb that grows too lush for us and insists on producing leaves galore during a spell of damp weather instead of the masses of tassel-like heads of composite flowers that we see in cooler climates. There are dwarf-growing varieties, but these seldom remain dwarf here after the first season. Torenia is referred to locally as the "Hongkong Pansy." This plant is a native of Asia and it was named after Olaf Toren, a clergyman who discovered our local species (*Torenia asiatica*) during his travels in China about 1752. The Torenia's common name is easy to understand for it is used in many countries which are too warm for the real pansy, as a substitute. It requires no cultivation, thousands of young seedlings appear each Summer on beds and pathways once the plants have have used in the vicinity. Some plants are grown for their foliage and although the old craze for ornamental carpet bedding has become out of date, many of the plants are extremely useful for use as "dot" plants in a bed of flowers or for planting in a bed by themselves to break the monotony of a continual line of beds of flowering plants. The most common ornamental foliage plant is *Alternanthera*. This is a dwarf-growing plant that used to be in great demand for design work; it withstands clipping and grows very compact and it is still used here in some gardens as an edging plant. Large and small leaved red and yellow varieties are the ones most commonly seen. Another very good foliage plant is *Perilla nankinensis*; the leaves of this are of a bronzy-purple colour and it is a local herb. There is no difficulty in getting it to thrive. For the best colour effect, this plant should be grouped together with the "Snow on the mountains" (*Euphorbia marginata*) a plant that grows almost the same height and bears light green leaves with white margins.—W.J.K.

* * *

Aug. 9.—We shall have to get busy in the vegetable garden shortly and sow our seeds for Autumn crops. Cabbages, Brussel Sprouts, and Cauliflowers grown from seed sown last month have made fair progress considering the bad weather and excessive rainfall of the past few weeks, and those that have survived the ravages of insect pests are now becoming established in their permanent quarters: if we do have a spell of dry weather, the plants will have to be watered, for their root system is still too small to supply all the plant's requirements without artificial aid. Potatoes will have to be planted during the next few days if we are to expect a crop in November. Many of us are content with one crop of "spuds" each year like the people at home have to be satisfied with: it is not generally known that two crops may be obtained here. It is difficult to recommend any special varieties; but we have had very good results from Japanese "seed" and also from "seed" obtained from the area south of Hungjao Road. Green Corn seed may also be sown once again: it pays to grow plenty of this for there is no comparison between the home-grown produce and that obtained at the local market. Badgers and other nocturnal animals sometimes help themselves to our corn crops, but we find that the best protection against these animals is the most simple of all. Limewash thrown over the plants when the cobs are ripening gives them a ghostly appearance and Badgers appear to dislike anything ghostly; at any rate, they generally keep away from whitewashed plants. Cucumber seed collected from the earliest fruits that were produced by our Spring-sown plants, should be sown now and Carrots and Bush Beans may also be sown as soon as the soil is in a fit condition. Spring Onions and Beets are other vegetables that require attention these days and Lettuce and Endive seed must be persuaded to germinate if we are to have a supply of salads in Autumn. When sowing any kinds of seeds at the present time, it should always be borne in mind that we may have another typhoon or another flood or two before the fine weather of September comes along and that it is always advisable to keep a few seeds in reserve in case of accidents. We had plenty of bad luck with seed sowing last year.—W.J.K.

IN PARENTHESIS

That Nasty Word

Adolph: In six weeks, my firnds, I will be in the Ural Mountains.
Josef: Ural far.

* * *

Bounced

He: In dancing every muscle is brought into play.
Gal: Yes, that's why the bouncer chased us off the floor.

* * *

Big Ben After the Blitz

In the fell clutch of circumstance
I have not winced but chimed aloud;
Under the bludgeoning of Hans
My face is blackened, but unbowed.

* * *

Water Nymph

Blonde: Last night one of the boarders walked in when I was in the bath-tub.
Friend: What did he say when he found out he'd made a mistake?
Blonde: Glug.

* * *

Worst Way

"I want you the worst way."
"Then come around just after my alarm clock rings some morning."
"Why?"
"That's when I'm at my worst."

* * *

Lucky Boss

"In my office I have everything right where I can lay my hands on it."
"That pretty secretary of yours must be a wonder, then."
"Yes, she's got everything."

* * *

Quiet

"Do you consider silence golden?"
"Why, indeed, I most certainly do! I've always said it was, ever since I was a little girl. Now, if you'll listen just a moment I'll tell you a story that illustrates that very point. It was ten years ago, just before John and I..... say, where are you going?"

* * *

Old, Old Story

"You don't give me worms to eat," said the Boche aviator to his captor.
"No, nor rats either," was the laughing reply.
"But you are starving, hein? We read that the little boy told his mother that no one loved him and that he was going into the garden to eat the worms."

* * *

Humours of the Blitz

Unnecessary notice in front of a blitzed public-house: "I have no pane now, mother dear."

In front of a house no longer visible: "Wet paint."

On the board that hangs sideway before the walls of a roofless house: "This delightful residence for sale. Admission by card only."

And the warning at the entrance to a practically ruined square: "Organs and other noises prohibited."

At the entrance to a *blitzed* street in the East end this notice appeared "No admission except by permit. No permits issued."

* * *

Adolf Helps

The little man at Berchtesgaden probably does not know it, but he was put to some use during the recent successful War Weapons Week, as witness the following communication ascribed to him:—

Ze Eagle's Nest,
Berchtesgaden,
24 Mai. 1941.

Achtung! Achtung! !
Donnerunblitzensargenzeemarl! ! ! !
Mine Tear English Frents,

What for you zis war weapons veek arrange? You so make it harder for me to protect you from zose vicket peeples at Vestminster. Zey tell you not how happy I haf make all ze peeples in Polant unt Norvay and Tenmark vare zey sing unt tanz all ze day unt I vill make you to sing unt tanz ze same vay if you vill be goot unt no warplanes unt boms unt navyships build.

I vill protect you mit mine own weapons out of Chermany so you can spent your moneys on butter unt beer joost like ze Poles unt Rotterdammers who are now so, so joyous unt larf like leetle Audrey.

Your goot frent Ribbentripe he know you all because he come many tousent times to your lofely town unt he lofe you all ver mooch unt he vill you happy make.

Gobbels lofe you too unt he prey for you. Unt Goring lofe you unt zat iss vy he send tousents off touring planes to London last September to greet you frently, but your funny Schpitfire boys zey not unterstant unt make faces at zem. Oh, naughty, naughty!

To proof you I am a pleasant peeple let me mit you vun joak make. I allvays call Goring "Gebbels" because he gobbles up all ze butter unt beer unt so make fat like ze barrel you roll out.

I tolt you I vould be in Beefanham Palast ze 15 Sept., 1940, but I vas busy counting ze Cherman bommers vich come not back from England. However, ven I do come I vill gif you holidays unt champagne but if you boms unt bommers buy I vill not come.

My patients is exhaustert but I am still your goot frent.

Adolf.

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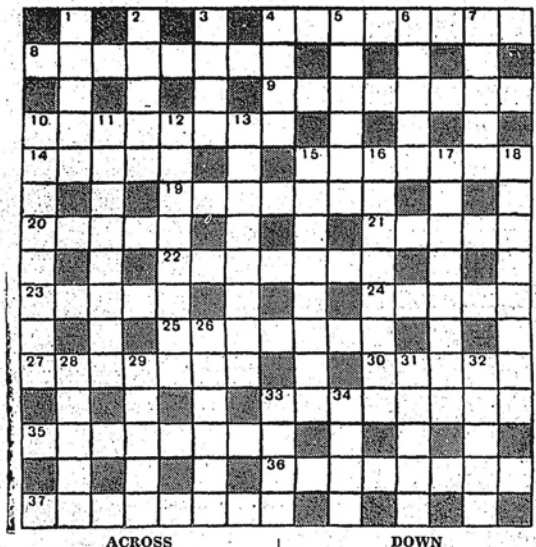
CROSSWORD PUZZLES

(By Arrangement with the "Daily Telegraph.")

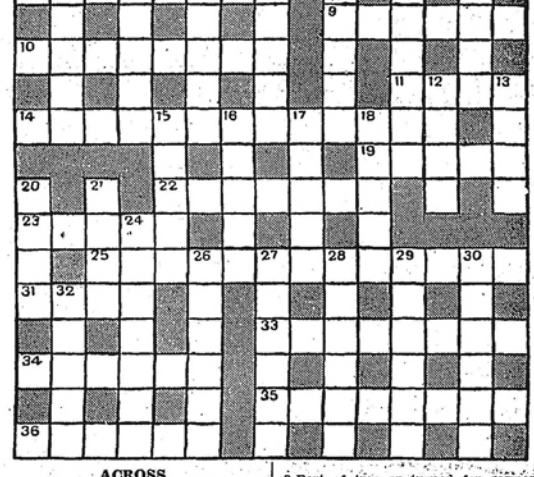


ACROSS

4 A knave perhaps but not itself beheaded (8).
8 Is it meant to lead insects in dress clothes a dance? (8)
9 You may have asked someone sometime to join you in one (8)
10 Reaching to distant regions (8)
14 Form 9 across, perhaps (5)
15 Foiled, and finally ran away (7)
19 One acid includes three (7)
20 A touching bid for attention (5)
21 Plain folk don't dwell in them in America (5)
22 A flowing thing allowed to finish (7)
23 It once fell to sustain its head (5)
24 He works on houses (5)
25 Find a method for escape (7)
27 Having which, with whom can one go to war? (two words—2, 5)
30 An entertaining show. (5)
33 A follower here at heart (8)
35 Evening on the spree by the side of a racing character? (two words—5, 3)
36 Broadcasting? (three words—2, 3, 3)
37 Our foreign relations may be bad in parts, but here's a good one (two words—5, 3)

DOWN

1 Growth of rank article (5)
2 The night variety may be worked, or worn (5)
3 Russian port, but not on the open sea (4)
4 It flies, but only to tire (4)
5 Ships first part here in S. America (6)
6 Any ass will swallow leg-pulling of this sort (5)
7 A frill (5)
10 Member of the concert party who incites manslaughter? (two words—5, 3)
11 "Dried can" (anag.) (8)
12 The power of the bar possibly (8)
13 The kind of play for Xmas (8)
15 In debt, as the sail in the wind did (8)
16 With this inflation is an aid to progress (two words—4, 4)
17 Sweetheart of some start of it (8)
18 Its creed becomes circumspect (8)
26 To do so gives artistic relief (6)
28 On either side I stand for garden produce (5)
29 Classically nought (5)
31 Didn't do the right thing, evidently (5)
32 Part of a jaunt I like (5)
33 Small thing in the cat line? (4)
34 Opposite of end of 17 down (4)



ACROSS

5 Phantom waters? (6)
8 Emotion that inclines to cow (two words—4, 4)
9 Some clerics find it insufficient for it (6)
10 Being still a striking fault (8)
11 This is apt to obscure natural features (4)
14 She wanted to get up early (four words—5, 2, 3, 3)
19 Later became vigilant (5)
22 Arrangement of "Let the people sing" without the people (7)
23 First of his order? (5)
25 Bad characters are this in detective novels (three words—7, 2, 4)
31 Bound to change one's food (4)
33 Per-woman is the source of this energy, oddly enough (8)
34 One takes it for divers reasons (6)
35 Alloy that is no longer what it says (8)
36 Hay fever victims don't like it (6)

DOWN

1 Vehicle no longer seen in the start (6)
2 Degenerate (6)
3 Part of tree or turned for garment (6)
4 One sees this with it in the afternoon (6)
5 A girl contributes largely to this unworthy feeling (6)
6 A come-back (7)
7 Spirits from the East (5)
12 Hooks often catch them (4)
13 Former reversal of end of 35 across (4)
15 When he breaks up he's a goner! (5)
16 Bear this in mind if you want to throw a dance (5)
17 Best way to deal with a googly (two words—3, 2)
18 Fruit of dismissal? (5)
20 Once served its turn in the kitchen (4)
21 Taunt (4)
24 First is this and so is second (7)
26 What is this is out of mind, they say (6)
27 Tribute to hail a wise man (6)
28 First noises from the orchestra? (6)
29 Little relative to know in bits (6)
30 A number on the calendar shows it (two words—3, 3)
32 Hardly a summer-house (5)

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES

TOP PUZZLE.—ACROSS: 1, Fisticuffs; 9, Fowl; 10, Palliative; 11, Lebrun; 12, Footpad; 15, Pettish; 16, Moray; 17, Rock; 18, Butt; 19, Perch; 21, Hoppner; 22, Habitue; 24, Intent; 27, Avaricious; 28, Hook; 29, Nightshade. DOWN: 2, Imam; 3, Talbot; 4, Chatham; 5, Fair; 6, Shelley; 7, Tourniquet; 8, Planchette; 12, Forthright; 13, Occupation; 14, Dover; 15, Parch; 19, Pertain; 20, Harpist; 23, Isaiah; 25, Gang; 26, Fund.

BOTTOM PUZZLE.—ACROSS: 1, Sundriesmen; 7, Drop off; 8, Plummet; 10, City; 11, Felon; 13, Asti; 15, Ray; 17, Pedlar; 19, Massed; 20, Dudgeon; 21, Tandem; 23, Beetle; 25, Bit; 27, Trip; 28, Cadiz; 29, Ayes; 32, Dahomey; 33, Sirloin; 24, Disinclined. DOWN: 1, Spotted; 2, Noon; 3, Rafter; 4, Employ; 5, Maud; 6, Nemesis; 7, Decapitated; 9, Third person; 12, Languid; 14, Laden; 16, Panes; 18, Rum; 19, Mob; 22, Neighed; 24, Thyroid; 25, Banyan; 26, Tinsel; 30, Amos; 31, Bren.

From Daily News Ads.

As from July 1, 1941, Mr. L. Lanzuzel has been admitted as business partner to Square Deal Motor Works Co., Shanghai.

Articles in the August issue of the "Oriental Affairs" deserving special attention: Japan in Indo-China; The Anglo-Japanese alliance; Four years of Sino-Japanese hostilities; A basis for Anglo-Japanese rapprochement, etc.

Mr. M. Shirovsky has been appointed art director and production manager of Keenad, Inc., Shanghai. The business hitherto known as Shirovsky Studio has been closed and all orders transferred to Keenad, Inc., for completion.

The Soskin Siberian Fur Store, 1119 Bubbling Well Road, Shanghai will henceforth trade under the name of Modern Fur Store. Further, as announced by the proprietors, Messrs. G. Kapustin & Co., Mr. U. J. Soskin has no further connection with the above business.

The Swedish citizen William Petterson and the British subject Lottie Palmer intend to contract marriage. Any just cause why they should not be joined in matrimony must be declared before the Royal Swedish Consul General at Shanghai not later than September 5, 1941.

All person having any claims upon the estate of the late Annie Saikao Strangman who died in Shanghai on July 1, 1941, are required to give particulars in writing to Messrs. Ellis & Hays, Shanghai, before October 6, 1941. Persons indebted to the estate are requested to make immediate payment to the said legal practitioners.

Persons having claims against the estate of the late James Dennison Campbell who died at Shanghai on May 3, 1941, are requested to send particulars to Messrs. Teesdale Newman & Co., 59 Peking Road, Shanghai, to whom immediate payment of all debts towards the said estate should be made.

Directors of the Shanghai Waterworks Co., Ltd., have declared an interim dividend on Intra Agreement Consumers' Account of 2% per "A" share and 4.8d per "B" and "C" shares respectively, in respect of the year 1941. This dividend, together with the regular half yearly dividends on the 7 and 6½% issues of Cumulative Redeemable Preference Shares will be payable on September 1, 1941, to shareholders appearing on the register as on August 18, 1941. In the case of "A", "B" and "C" shares covered by Shanghai certificates, such dividend will be paid at the office of the Hongkong & Shanghai Banking Corporation, Shanghai, in Chinese Standard Dollars at its buying rate for demand drafts on London on the day of presentation of the warrant.

The creditors of Arts & Crafts Limited, which is being voluntarily wound up (and which has no connection with the business carried on by Arts & Crafts Limited at 887 Bubbling Well Road, Shanghai) are required to send their names and addresses and the particulars of their debts or claims, and the names and addresses of their solicitors, if any, to the Liquidator, Mr. S. J. Hicks, 887 Bubbling Well Road, before August 18, 1941. A general meeting of the members will be held on September 5, 1941, for the purpose of having an account laid before them, showing the manner in which the winding up has been conducted, and the property of the company disposed of, and also of determining by extraordinary resolution the manner in which the books, accounts and documents of the company, and of the liquidator thereof, shall be disposed of.

Applications are invited for the post of an additional officer, Fire Brigade, Rangoon Corporation. Candidates should state their age and nationality. Men between the years of 35 and 40 will be preferred but this age limit may be relaxed in respect of candidates who are exceptionally qualified. Preference will be given to candidates who are qualified and trained mechanical engineers and possess an intimate knowledge of electricity, petrol motor fire engines and appliances and pumping machinery. Candidates should state their present and previous employment and the nature and extent of their experience in the fire brigade work. Candidates must possess a thorough knowledge of A.R.P. organization and work. Salary: Rs. 400 for the first year rising by annual increments of Rs. 20 to Rs. 500 per month with free quarters fitted with electric lights and fans plus the use of a service car while on duty. Free uniform and boots will also be supplied. The officer appointed will be required to subscribe to the Municipal Provident Fund. Subject to the rules governing the conditions of service under the corporation the appointment will be made on an agreement of contract for five years, the first year of which being treated as the period of probation. The officer selected will be required to pass a medical examination. Applications should be addressed to Myo Kin, Secretary, Corporation of Rangoon, and will be received up to September 18, 1941.

SICCAWEI METEOROLOGICAL REPORT

Day of month	Barometer 9 A. M.	Barometer Att'ed Therm	Wind Direction a.m.	Wind (1-12)	Hygrometer 9 a.m. Dry	Hygrometer 9 a.m. Wet	Thermometer in Shade Max.	Thermometer in Shade Min.	Weather Conditions
Aug. 1	29.94	80.6	S E	1	82.8	79.5	93.7	75.2	B. C.
" 2	29.91	81.5	S SE/S	1	83.7	80.4	95.5	76.2	B.
" 3	29.94	82.8	S	1	80.4	81.3	98.2	77.5	B. C.
" 4	29.96	83.3	S S E	2	84.0	79.5	95.4	78.8	B.
" 5	29.90	83.3	S S E	2	85.5	79.5	95.7	77.2	B.
" 6	29.88	83.8	S E	2	84.2	80.6	95.0	76 6	B. C.
" 7	29.89	83.5	E N 3	3	83.8	78.4	89.1	75.4	C.

EXPLANATION

B—blue sky F—fog H—hail M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Date	Minimum Temperature 1941	Minimum Temperature 1940	Maximum Temperature 1941	Maximum Temperature 1940	Rainfall 1941	Rainfall 1940
Aug. 1	76.0F.	76.0F.	91.5F.	90.0F.	Nil	1.25 in.
" 2	76.5	79.0	94.5	95.0	Nil	Nil
" 3	79.0	79.0	98.0	95.5	Nil	Nil
" 4	79.0	78.5	97.0	94.5	Nil	Nil
" 5	77.0	79.0	95.5	95.5	Nil	Nil
" 6	76.0	80 0	96.0	95.0	Nil	Nil
" 7	77.0	79.0	92.0	92.0	Nil	3.25

BIRTHS

BUMSTEAD.—On August 4, 1941, at the Country Hospital, Shanghai, to Diana (née Campbell), wife of Kenneth Bumstead, a son—DAVID LAWRENCE.

DE BEAUMONT.—On August 6, 1941, at the Ste Marie Hospital, Shanghai, to Colette (née d'Herbigny), wife of Mr. Pierre de Beaumont, a son, RENE.

GABERMAN—On August 9, 1941, at the Country Hospital, Shanghai, to Barbara, wife of Mack Gaberman, a son, BARRY DAVID.

KNOWLES—On August 12, 1941, at the Country Hospital, Shanghai, to FAINA, wife of Stanley S. Knowles, a daughter.

MARTIN.—On August 3, 1941, at the Country Hospital, Shanghai, to Jeanne Marie Barraud, wife of Dr. Maurice Etienne Martin, a son MAURICE.

PICKFORD—To ROSAMOND, née Giles, wife of H. L. Pickford, Hongkong & Shanghai Banking Corporation, Bombay, on July 18, a son.

QUINN.—On August 5, 1941 at the Country Hospital, Shanghai, to Louise Colussi, wife of Joseph R. Quinn, a daughter, PATRICIA MARGARET.

ROACH—On August 12, 1941, at the Country Hospital, Shanghai, to Ghita (Née Nevler) wife of Albert Henry Roach, a daughter, VIVIEN GLORIA.

RUF.—On August 7, 1941, at the Country Hospital, Shanghai, to Maria (née Gordikova) wife of Mr. Arthur Ruf, a daughter, VICTORIA.

ENGAGEMENTS

BROWN—ANDREWS.—The Engagement is announced of DONALD BROWN, of Shorncliffe, England, and GWENDOLYN MAUD ANDREWS, youngest daughter of Mr. and Mrs. H. J. Andrews, Shanghai.

CAMPBELL — ROSENBERG. The engagement is announced between JAMES HOBART CAMPBELL, son of Mr. and Mrs. J. D. Campbell and REGINA, only daughter of Mr. and Mrs. J. J. Rosenberg.

LE POOLE—LEGER—The engagement is announced of SAM CONSTANTYN, son of Mr. and Mrs. Ch. Le Poole, of Heerlen, Holland, and CHRISTIANE MARIE-THERESE, daughter of Mr. and Mrs. R. Léger, of Shanghai.

WALLACE—CASSELS.—The engagement is announced between RUSSELL HEATHCOTE, son of Mr. and Mrs. W. A. Wallace of Adelaide, Australia, and PAMELA LOUISE, elder daughter of Mr. and Mrs. W. C. Cassels.

MARRIAGE

PAPERMASTER — GOLDMAN.—On August 5, 1941, Roy Papermaster of Westwood, Cal., son of Mr. and Mrs. Nathan Papermaster of Los Angeles, Cal., and Mabel Goldman, youngest daughter of Mr. and Mrs. A. Goldman of Beverly Hill, Cal., formerly of Shanghai.

DEATHS

da COSTA.—On Sunday, August 10, 1941, at her home, 153H, Route des Soeurs, CECILIA MARIA WU da COSTA, widow of the late Pompilio Regino da Costa and mother of Emily and the late Mrs. Rosa da Costa Chung. (Hongkong and Macao papers please copy.)

d'ECA.—On Wednesday, August 6, 1941, at The Paulun Hospital, Shanghai, ALVARO MARIA D'ECA, eldest son of the late Dom Celedonio and Dona Maria Pureza d'Eca, husband of Amalia d'Eca and father of Mrs. Elena d'Eca Teixeira and G. Frederico d'Eca, in his 55th year.

ROSENZVEIG.—On August 3, 1941, in Sydney (Australia), of heart failure, Dr. ILIA EPHIMOVITCH ROSENZVEIG, aged 63.

WALLACE.—On August 9, 1941, at 1402 Avenue Joffre, Shanghai, NORMAN WALLACE, aged 69 years.

WALLACE—On August 11, 1941, at San Francisco, California, RONALD HADDOW WALLACE, aged 46 years.

IN MEMORIAM

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